Daily Report

East Europe

FBIS-EEU-91-010
Tuesday
15 January 1991

Daily Report
East Europe

FBIS-EEU-91-010 *15 January 1991*

CONTENTS

NOTICE TO READERS: As of 2 January 1991, television sourcelines in the DAILY REPORT will reflect how a station identifies itself. In most cases, this change eliminates the "Television Service" designation in favor of the station identification as broadcast. The presence of a new television sourceline reflects this change in policy, rather than the establishment of a new station or network.

NOTICE TO READERS: * indicates material not disseminated in electronic form.

ALBANIA

Greek Prime Minister, Delegation Continue Visit 1
Mitsotakis Hosts Reception in Tirana Hotel *[ATA]* 1
Group Visits Gjirokaster, Dropull, Departs *[Tirana Radio]* 1
Joint Communique Issued on Visit *[ATA]* 2
SFRY Daily on Country's Chances for Democracy *[DELO 4 Jan]* 3
'Friendship' With Turkey To Help Democratization *[Ankara TV]* 3
German Industrialist Views Development Plans *[ATA]* 4
Deputy Foreign Minister Plaka Visits Sweden *[ATA]* 4
Alia Receives Italian Company President *[ATA]* 4
Council Decides To Apply to IMF, World Bank *[ATA]* 5
Limitations of 'Patriotic Propaganda' Described *[ZERI I RINISE 5 Jan]* 5
Emergence of 'Political Pluralism' Noted *[BASHKIMI 6 Jan]* 6
Operation of Joint Enterprises Viewed *[ZERI I POPULLIT 30 Dec]* 6
* Advantages of Integration Into EC *[BASHKIMI 24 Dec]* 8

BULGARIA

Parties, Movements Protest Against USSR *[Sofia Radio]* 10
More Protests Against USSR Action *[Sofia Radio]* 10
Foreign Ministry Statement on Lithuanian Events *[Sofia Radio]* 10
'Vandals' Torch Bulgarian-USSR Club *[OTECHESTVEN VESTNIK 8 Jan]* 10
Additional Funds Needed To Prepare Gulf Units *[NARODNA ARMIYA 4 Jan]* 10
Iraqi Jet Transports 114 Nationals to Sofia *[Sofia Radio]* 11
Irish Foreign Minister Meets Counterpart *[BTA]* 11
Greek Foreign Minister Arrives 12 Jan *[Sofia Radio]* 11
Ethiopian Vice President Meets With Lilov *[DUMA 11 Jan]* 11
Union of Bulgarians in Yugoslavia Registered *[BTA]* 12
ASO Wants BSP Leader Lilov's Resignation *[BTA]* 12
Lilov, Tomov BSP News Conference Reported *[DUMA 10 Jan]* 12
BSP Expels Former Leading Officials *[DUMA 6 Jan]* 13
SDS' Ganev Criticizes Paper's Article *[BTA]* 13
Poll Shows Many Believe BSP Hinders Reform *[BTA]* 14
'Democratic Front' Council Repudiates Meeting *[DUMA 7 Jan]* 14
Democratic Front Meeting Expels Former Leaders *[DUMA 6 Jan]* 14
Pushkarov 'Deeply Astonished' by Expulsion *[SVOBODEN NAROD 4 Jan]* 15
Interior Minister Danov Announces Restructuring *[BTA]* 15
SDS Demands Quicker Land Bill Adoption *[BTA]* 15
SDS 'Might' Propose Leaving Warsaw Pact *[Sofia Radio]* 16
Position on Nuclear Weapons Tests Articulated *[BTA]* 16
Current Black Market Prices Reported *[BTA]* 16
Official Examines Rising Unemployment Figures *[DEMOKRATSIYA 7 Jan]* 16
Dzhurov Resigns From National Security Council *[NARODNA ARMIYA 3 Jan]* 17
Zhelev Addresses Officers' Legion Meeting *[Sofia Radio]* 17
Zhelev Supports Return of Land to Owners *[BTA]* 17
Balkan Air Chief Reviews Year of Change *[OTECHESTVEN VESTNIK 4 Jan]* 18

Civic Court Accuses Lukanov; Will Pass Judgment *[DEMOKRATSIYA 7 Jan]* 18
Source of Computer Virus Reports Interviewed *[VECHERNI NOVINI 4 Jan]* 18
No More Electric Power Cuts Anticipated *[Sofia Radio]* 19
Afternoon Daily Becomes Morning Paper 8 Jan *[OTECHESTVEN VESTNIK 4 Jan]* 19
Correction to Ministry on Evacuating Bulgarians 20

CZECHOSLOVAKIA

Havel Comments on Gulf, Lithuanian Events *[Prague TV]* 21
Kuwaiti Envoy Reports Toll of Iraqi Invasion *[CTK]* 22
Dismisses Passport Statement *[CTK]* 22
Havel Aide Comments on Warsaw Pact, Civic Forum *[CTK]* 22
Council of Europe Commission Opens Session *[CTK]* 23
Says Membership Prospects Good *[CTK]* 23
Philosophy on Dam Differs from Hungarian View *[CTK]* 23
European Parliament Leader Voices Baltic Concern *[CTK]* 24
Many Former StB Agents Reportedly in Parliament *[CTK]* 24
Parliament Calls For Screening *[CTK]* 24
OF, VPN Meet To Comment *[CTK]* 25
Klaus, Carnogursky Disagree on Tax on Periodicals *[Bratislava PRAVDA 5 Jan, etc.]* 25
Finance Council Holds Bratislava Session *[NARODNA OBRODA 5 Jan]* 25
CSS Holds Last Pre-Congress Plenum *[SVOBODNE SLOVO 5 Jan]* 26
Congress Ends, Chairman Elected *[Prague Radio]* 26
Government Rebuked for Phasing Out Arms Industry *[NARODNA OBRODA 7 Jan]* 27
Trade Unions Criticize Government Reform Schedule *[CTK]* 27
Further on Trade Unions' Views *[MLADA FRONTA DNES 4 Jan, etc.]* 28
Latest Population Figures Released *[LIDOVE NOVINY 5 Jan]* 28
Klaus Allegedly Asked To Resign From OF Post *[CTK]* 28
Klaus Comments on OF Future *[CTK]* 29
Composition of Delegates to Civic Forum Assembly *[LIDOVE NOVINY 5 Jan]* 29
Political Parties Criticize Government Policy *[CTK]* 30
Commentary Suggests Possible Split in VPN Ranks *[Cibula in NARODNA OBRODA 5 Jan]* 30
Proposed Rights Charter Perceived as Anti-Slovak *[Ferko in NARODNA OBRODA 5 Jan]* 31
Slovak Official Says Tatras Not Sold to U.S. *[CTK]* 31

HUNGARY

Violent Acts in Lithuania Prompt Reactions 32
National Assembly Issues Statement *[Budapest Radio]* 32
Condemns Actions, Expresses Sympathy *[MTI]* 32
Antall Views Events 'With Shock' *[Budapest Radio]* 33
MDF Issues Statement on Lithuania *[MTI]* 34
'Brutal' Acts Seen as Repeat of 1956 *[MAGYAR HIRLAP 12 Jan]* 34
Economic Minister Kadar on 1990 Trade Figures *[MTI]* 34
Reasons Behind Forint Devaluation Examined *[MAGYAR HIRLAP 7 Jan]* 35

POLAND

Bielecki, Walesa Address First Government Meeting *[Warsaw Radio]* 36
Walesa, Soviet Ambassador Discuss Lithuania *[Warsaw Radio]* 36
Skubiszewski: 'Lithuanian Aspirations' Supported *[Warsaw Radio]* 36
Council of Ministers 'Supports' Lithuania *[Warsaw TV]* 37
Further on Council Statement *[Warsaw Radio]* 37
No Soviet Movements Toward Lithuania Reported *[PAP]* 37
Lithuania's Saudargas Comments on Events *[PAP]* 37
Commentary Expresses Solidarity With Lithuania *[Michnik in GAZETA WYBORCZA 14 Jan]* 38
Estonian Official Conveys Support to Lithuania *[PAP]* 38
Commentary Fears Expansion of Executive Authority *[Skalski in GAZETA WYBORCZA]* 38
Preparations Under Way for Soviet Troop Transit *[PAP]* 39
IMF Official Optimistic About 'Shock Therapy' *[PAP]* 39
Senator Warns of 'Third World' Economic Fate *[GAZETA ROBOTNICZA 21 Dec]* 40

Christian-National Union Re-Elects Chairman *[PAP]* 41
TV Head Criticizes Infighting Among Journalists *[Warsaw TV]* 41
RSW Liquidator on Delay With Title Sell-Off *[RZECZPOSPOLITA 5-6 Jan]* 41

ROMANIA

Events in Lithuania Prompt Reactions 43
Foreign Ministry Airs Concern *[ROMPRES]* 43
PNT-cd Gives Position *[ROMPRES]* 43
'New Imperialist Occupation' of Moldova Condemned *[ROMPRES]* 43
Opinion Poll Taken on Persian Gulf Conflict *[ROMPRES]* 43
President Iliescu Pays Official Visit to PRC 43
Arrives in Beijing, Meets Yang Shangkun *[ROMPRES]* 43
Bilateral Relations Discussed *[ROMPRES]* 44
Further on Visit *[cross-reference]* 44
Civic Alliance Concludes Vigil in Bucharest *[ROMPRES]* 44
Antigovernment Rally Held in Bucharest 14 Jan *[ROMPRES]* 44
AFP Photographer Injured in 12 Jan Rally *[ROMPRES]* 44
Foreign Journalists Demand Protection *[ROMPRES]* 45
Timisoara Students End General Strike 14 Jan *[ROMPRES]* 45
PNT-cd's Coposu on Current National Situation *[ROMPRES]* 45
Senate-Government Disagree on Price Liberalization *[ROMPRES]* 46
Senate Examines Bill on Land Stock 11 Jan *[ROMPRES]* 46
Deputies' Assembly Views Tirgu Mures Events *[ROMPRES]* 46
TAROM Resumes Domestic Flights 14 Jan *[ROMPRES]* 47
Opposition Demands Report on June 13-15 Events *[ROMPRES]* 47
Extraparliamentary Opposition Calls For Unity *[ROMPRES]* 47
PNT-cd President Delivers New Year's Message *[DREPTATEA 4 Jan]* 47
Government Restricts Gas, Diesel Oil Consumption *[ROMPRES]* 48
Government Airs Resolution on Autonomous Companies *[ROMPRES]* 48
Newspapers Examine 1991 Budget Deficit *[ROMPRES]* 48
* Censorship by Romanian TV Condemned *[ROMANIA LIBERA 11 Dec]* 49

YUGOSLAVIA

Loncar Supports French Gulf Peace Initiative *[TANJUG]* 50
Slovenia Inquiry Into Iraqi 'Agents' Activity *[TANJUG]* 50
Slovenia's Jansa on Lithuanian Events, Slovenia *[Ljubljana Radio]* 50
1991 Trade Agreement Signed With USSR *[Belgrade Radio]* 50
Markovic Interviewed on Federal Reforms *[BORBA 31 Dec, 1-2 Jan]* 51
Markovic on Current Political Situation *[Vienna TV]* 53
Party Supports Presidency on 'Illegal Formations' *[TANJUG]* 53
Presidency Republics Meeting Called 'Tolerant' *[TANJUG]* 54
Slovene Leader on Independence, Monetary System *[TANJUG]* 54
Slovene Government To Reject Federal Laws *[VJESNIK 6 Jan]* 55
Slovene Radio Comments on Presidency Session *[Ljubljana Radio]* 56
Slovenia Seeking Support in Other Republics *[BORBA 5 Jan]* 56
Slovenia Proposes To Cut Federal Army Funds *[TANJUG]* 57
Serbian Assembly Elects President 11 Jan *[TANJUG]* 57
Croatia Annuls Serb Autonomous District *[TANJUG]* 57
Croatian Officials on Differences With Slovenia *[VECERNJI LIST 8 Jan]* 57
Possible Plot Against Croatian Minister *[TANJUG]* 58
Kosovo Leader: Disarming Order 'Direct Threat' *[TANJUG]* 58
Vojvodina Assembly Changes Status of Some Media *[BORBA 5-6 Jan]* 58

Greek Prime Minister, Delegation Continue Visit

Mitsotakis Hosts Reception in Tirana Hotel

AU1401152891 Tirana ATA in English 1052 GMT 14 Jan 91

[Text] Tirana, January 13 (ATA)—On occasion of his visit to our country, the prime minister of the Hellenic Republic, Konstandinos Mitsotakis, gave a reception at the "Dajti" Hotel.

Attending the reception were the chairman of the Presidium of the People's Assembly of the PSR [People's Socialist Republic] of Albania, Comrade Ramiz Alia; the chairman of the Council of Ministers, Comrade Adil Carcani; the members of the Greek and Albanian delegations, senior state and party personalities, heads and officials of various central institutions, deputies, representatives of the Albanian and foreign press and other invitees.

Present were also heads of the diplomatic representations accredited to the PSR of Albania.

The reception proceeded in a warm and friendly atmosphere.

Group Visits Gjirokaster, Dropull, Departs

AU1401214991 Tirana Domestic Service in Albanian 1900 GMT 14 Jan 91

[Zamire Koleci report; place and date not given]

[Text] Konstandinos Mitsotakis, prime minister of the Greek Republic, left Tirana for the city of Gjirokaster today. He was accompanied on his visit to the city by Adil Carcani, chairman of the Council of Ministers of the People's Socialist Republic of Albania; Muhamet Kapllani, deputy foreign minister, and other comrades.

Other members of the Greek delegation accompanying their prime minister on his visit to Albania were also with Mr. Mitsotakis: Mikis Theodorakis, minister without portfolio; Mrs. Bakoyianni, deputy minister to the prime minister; secretary general of the Ministry of Foreign Affairs, Mr. Oikonomou; secretary general of the Ministry of Press and Information Pilarinos; secretary general of the Ministry of Health Kondoulakos; secretary general of the Ministry of Trade Psillakis; National Bank Director Yiermidhis, as well as journalists of the Greek national press and radio and television, Athens-based foreign correspondents, and journalists from our press organs, radio, television, and ATA.

Izedin Hajdini, our ambassador to the Greek Republic, and Stilianos Malikurtis, Greek ambassador to the People's Socialist Republic of Albania, were also present for this visit.

On their arrival in Gjirokaster, Greek Prime Minister Mitsotakis, accompanied by his Albanian counterpart Carcani and the other high-ranking Greek government officials, was received at the Cajupi Tourist Hotel by Flamur Cani, chairman of the Executive Committee of Gjirokaster District People's Council. Members of the Executive Committee of the District People's Council, councillors, and personalities from the arts and culture in Gjirokaster District also attended the reception.

Flamur Cani, after expressing his thanks for this visit to his city, said that we followed with great interest the communique issued yesterday after the meetings and talks in Tirana. The people of Gjirokaster and the people of the Greek minority, he went on, sincerely desire friendship and greater links in all fields with neighboring Greece. You yourself said, Mr. Mitsotakis, that we are yitones [Greek for neighbors] and friends, and that is what we are. We have always had border trade relations and ties, but we want to develop them further. Let us visit each other like friends.

Mr. Mitsotakis, replying to Flamur Cani's speech, first expressed his happiness at being in Gjirokaster and its district. We have carried out a friendly visit, and we are pleased at the talks we have conducted, because we have common objectives. Once again, I want to say how moved I am to be in Gjirokaster and its district, where a part of the Greek minority also lives. I also want to emphasize here that I agree with the Albanian Government that the Greek minority should remain here, in the place of their ancestors, and in a democratic Albania. I always take the view that we should develop cooperation in all fields, working together, building together, and that those who have fled should return and live in peace without any consequences. The world today has changed, Mr. Mitsotakis went on, and offers new prospects. I am very pleased, and thank the Albanian Government and Mr. Carcani, who has accompanied me so far, and I also thank the Albanian president, Mr. Alia. He then raised a toast to the friendly Albanian people and to Albanian-Greek friendship.

Mr. Mitsotakis, Comrade Adil Carcani, and the high-ranking Greek officials had lunch at the tourist spot at (?the castle) of Gjirokaster.

At 1500, the Greek prime minister, Mr. Mitsotakis, paid a visit to the village of Dervican in Dropull i Poshtem. The members of the minority in Dervican and other nearby villages gave the Greek prime minister a very warm welcome. At the house of culture and also at the spontaneous rally which was organized here, the Greek prime minister said that he was very pleased with his visit to Albania. I want the minority to be a link of friendship connecting our two countries. Mr. Alia, he went on, is determined to protect the minority's interests and rights. Soon, you will come and go freely to Greece, and we can come here. I thank the Albanian president for this and other things, Mr. Mitsotakis continued. (?I am now returning,) but we have entered a new epoch of democracy and of friendship with Albania, and I invite you, he said in conclusion, to shout all together: Long live Albanian-Greek friendship.

In his speech, Comrade Adil Carcani also pointed out the successes of this visit of this high-level Greek delegation and expressed once again the lofty feelings of friendship between the Albanian and Greek peoples, stressing the role played by the Greek minority in Albania in this direction.

From here, Mr. Mitsotakis, accompanied by Comrade Adil Carcani, went to the Kakavije border point. As they parted, Comrade Adil Carcani again expressed his appreciation for the Greek prime minister's visit to Albania, and said that he thanked Mr. Mitsotakis for his appreciation for the implementation of the democratic reforms in Albania, led by Comrade Ramiz Alia.

The Greek prime minister and the other high-level personalities in his delegation left Albania, seen off with affection by Premier Adil Carcani and the other personalities accompanying him.

Joint Communique Issued on Visit

AU1401152291 Tirana ATA in English 1020 GMT 14 Jan 91

[Text] Tirana, January 14 (ATA)—The prime minister of the Greek Republic Konstandinos Mitsotakis paid an official and friendly visit to Albania on January 13-14, 1991. He is accompanied by the minister of foreign affairs, Andonios Samaras; the minister without portfolio, Mikis Theodorakis; the deputy minister of trade, Sotiris Hagigakis [name as received]; the premier's deputy minister, Dora Bakoyianni; the general secretaries of the foreign affairs ministry, P. Oikonomou, of the ministry of health, P. Kondoulakos, of the ministry of trade, N. Psillakis; the governor general of the National Bank of Greece, Dh. Yiermidhis; the president of the national organization of tourism, A. Rafael [name as received] and other personalities.

The Prime Minister of Greece Mitsotakis held talks with the chairman of the Council of Ministers of the PSR [People's Socialist Republic] of Albania, Adil Carcani.

Mr. Mitsotakis was received by the chairman of the Presidium of the People's Assembly of the PSR of Albania, Ramiz Alia and on this occasion a warm and friendly talk was held.

Over the talks, the premier of Albania and that of Greece pointed out the traditional friendship binding the Albanian people and the Greek one. They examined the development of bilateral relations and noticed that they have positively developed in the recent years.

They voiced the desire and political will of both parties for the further development and consolidation of the relations of good neighbourliness and of cooperation in all the fields of mutual interest.

Both sides devoted a special attention to the cooperation in the economic domain and exchanges of trade, culture, science, technology, protection of environment, etc.

The agreement on trade sea navigation and the agreement on cooperation in the field of tourism were signed during this visit.

Both sides underlined that the positive stand towards the minority and the observation of the rights of persons belonging to them within the constituent order of their country, according to the principles and documents of the CSCE and the UN Charter, should be a factor of rapprochement and friendship which leads to the realisation of good neighbourliness. Both parties were of the opinion that it is to the common benefit that the Greek minorities stay in their country, and not leave it, and they who have left may come back and continue their life without any consequences, as free citizens of Albania.

Both parties underlined the full support of their countries for the principles of observing the independence, sovereignty, territorial integrity, the inviolability of the borders and non-interference in the internal affairs. They shall work so that the border between the two countries be a border of peace and friendship.

The premiers evaluated the process of Balkan cooperation and the results of the meeting of the foreign ministers of the Balkan states held in Tirana last October. They emphasized that this cooperation is in conformity with the spirit of the democratic processes taking place on the European continent. On this occasion they voiced their conviction that the Balkan peoples and countries are capable of forging ahead the Balkan cooperation, as integral part of the European processes, coping with the challenges of the time and surmounting, in the spirit of understanding and confidence, the problems our region has to face.

Both parties aired their views against the chauvinist ideologies and policies which only poison the atmosphere of confidence and understanding.

Both parties evaluated the CSCE process and its important role for opening up fresh favourable perspectives to peace, security, stability and cooperation among the states of our continent. The governments of the two countries assess the Paris Charter for a new Europe as embodiment of the efforts of the CSCE member states for a democratic and peaceful Europe.

They emphasized the indispensability of the constructive dialogue as a means for peaceful solution of problems or conflicts whatsoever.

On this occasion they underscored that the economic inequality between various regions of the continent and on the international scale, the social tensions and political instability noticed in various regions of the world, are negative elements that should be overcome with the aim of easing tension and democratizing international relations.

Both parties agreed to conclude the agreement on frontier waters in the shortest possible period of time. In this framework both parties agreed to complete the study for

the joint energy exploitation of the waters of River Vjose. They took interest in the construction of the Egnatia Road, which will link Greece with Albania, with the participation of the Greek companies and subvention by international organisms.

They agreed to put immediately at the disposal of Albania reversible credits in value terms of 15 million dollars by the consortiums of Greek banks.

Both parties considered the visit of the prime minister of Greece, Konstandinos Mitsotakis, the sincere and friendly meetings and talks conducted on this occasion, as a contribution to the further promotion of the relations of friendship and cooperation between our two countries and peoples, for the strengthening of the spirit of confidence and understanding between the peoples of the Balkans, the cause of peace and security in the region. They agreed that such meetings should be part of the friendly relations between the two countries.

SFRY Daily on Country's Chances for Democracy

AU1101110991 Ljubljana DELO in Slovene 4 Jan 91 p 20

[Zarko Rajkovic report: "Gezuar, Good Luck, Albania!"]

[Text] Tirana, 3 Jan—"Gezuar!" By using this word, which means "Good Luck," one may describe present events in Albania. This word had been used during all past years to wish good luck at New Year's. This year, however, the word has a completely different meaning. Albania has already taken the first step into a new life, and it will soon be seen whether 3.5 million people will have more luck and happiness in the near future. Therefore, "Gezuar, Albania!"

During the past several months, Albania has set off on an unknown and mysterious road. At one time, mass gatherings could not even be imagined in the country, but now they have become a completely ordinary phenomenon. It is even more surprising that the press has been regularly informing the public about them. Both representatives of the authorities and of the opposition, which has united into the Democratic Party, continuously repeat the word "democracy," which should be a miraculous word that one could erase overnight all present difficulties that have been accumulating over many decades. There is certainly no such miraculous word. Neglect that has been accumulating for decades and even centuries can be seen everywhere—on the streets, buildings of state institutions, and above all, in the people themselves.

Last night, just outside the town of Kavaje, 20 km to the south of Durres, a reporter was greeted by a group of young people making victory signs with their fingers. Victory!—certainly, but whose and what kind of victory? Along the road I saw large heaps of stones. They throw them at cars with Tirana license plates coming to Kavaje. Our taxi was almost showered by stones. Fortunately, our guide warned us that we should make the victory sign ourselves; everything was easy then.

"We do not trust Ramiz Alia's regime. True, it has started a number of reforms, but everything is going too slowly. We would like to get rid of the past and the regime more quickly because that regime had destroyed Albania. Alia obviously lacks sufficient power for such a thing, or he simply does not want to do it. He is not going to dazzle us with his Potemkin's villages, because we have no interest in facades. We demand big changes. Of course we protest against the regime that destroyed Albania, but the authorities organize protests with which they support both themselves and us reformists. This is not logical. Three citizens of Kavaje have been sentenced to 20 years in prison, 20 to 15 years, eight to 10 years respectively, just because they participated in demonstrations. They were proclaimed to be organizers of the demonstrations and hooligans, which is certainly not true. The authorities will never discover our headquarters."

I was told this by young D.T., who swears that he will go to Tirana only when he is really free. I heard the other part of the story from Safet Ferizi, a refugee from Kosovo, one of the prominent members of the Albanian Workers Party in Kavaje:

"Shop windows and shops in Kavaje were broken by hooligans. In that way we shall never achieve democracy. Democracy is a slow process that does not recognize violence. Those people who destroyed other's property were justifiably sentenced."

'Friendship' With Turkey To Help Democratization

TA1101210991 Ankara TRT Television Network in Turkish 1800 GMT 11 Jan 91

[Text] Albanian President Ramiz Alia has said that the ties of friendship between Turkey and Albania will greatly help and support his country's development. Alia was speaking to Turkish journalists who were accompanying State Minister Isin Celebi on his visit to Tirana. Noting that there were economic, geographic, social, and cultural differences among countries, Alia said that one country cannot be used as a model for another in the democratization process.

In reply to a question on his relations with the opposition, Alia said that concrete measures are necessary to solve the problems that arise in the development process. Pointing out that a new political force has been created in the country, Alia said: The birth of such forces is not a bad thing for the interests of the country and the development of the community. In reply to a question on their expectations from Turkey in their democratization process, Alia said: The development of bilateral political and economic relations can contribute to Albania's development process. I view Turkey's friendly position toward Albania as a great help to and support of our country's development process.

Meanwhile, Albanian Council of Ministers Chairman Carcani has said that Albania will make a gradual

transition to a free market economy in line with the country's conditions and without disrupting stability. Speaking on occasion of the 45th anniversary of the Communist regime in Albania, Carcani said that the new constitution to be prepared by the parliament to be elected as a result of the 10 February free elections will make such a transition possible.

German Industrialist Views Development Plans

AU1101221691 Tirana ATA in English 1911 GMT 11 Jan 91

[Report on interview with the president of German "Ruckert" Company by unidentified reporter; place and date not given]

[Text] Tirana, January 11 (ATA)—It is an honour for my firm that the Albanian Government and in the first place the President of the State Alia, Premier Carcani, and Minister Hoxha charged us with the duty to take part in the development and modernization of this country.

We have undertaken to develop tourism, to build hydro power stations, to develop telecommunication for the whole Albania. We have undertaken to intensify the extraction and production of oil, as well as of copper and other minerals. Here it is about chrome and nickel, which will be processed to the final product. Likewise we are engaged in expanding the supply with electric power, we will build some factories for the drinks production as Coca-Cola, beer, juice, as well as sugar factories, textile factories, etc. I have come here together with competent representatives of German and Austrian banks to enter into negotiations with your government to finance these projects.

Certainly we have to make very huge investments and in the first place the population should have it clear that these projects cannot be built within a short period of time, because it takes time to design them, to begin and finish the objects we have to build.

The German and Austrian banks and others that will cooperate with you are inclined to make investments in Albania. It is a great pleasure for me to tell this and I will work with might and main to make this cooperation fruitful for Albania, your government and the people of your country.

I wish your people, your government develop the country together.

Deputy Foreign Minister Plaka Visits Sweden

AU1301160191 Tirana ATA in English 0950 GMT 13 Jan 91

[Text] Tirana, January 13 (ATA)—The delegation of the Ministry of Foreign Affairs of Albania, headed by the foreign vice-minister, Sokrat Plaka, wound up the official and friendly visit to Finland and paid a brief visit to Sweden. It was received by the secretary for foreign affairs of Sweden, Pier Shor. They exchanged views on bilateral relations and their further development especially in the field of economic and financial operation as well as on international problems of interest for both parties. The delegation met also with the foreign vice-minister of Sweden, Peter Osvald, who gave a dinner in its honour.

During the stay in Stockholm, the foreign vice-minister Sokrat Plaka read out a paper at the Swedish Institute of Foreign Policy on the democratization of life in Albania and its engagement in the processes of European security and cooperation. Present was also the director of this institute Bo K. A. Huldt, functionaries at the Ministry of Foreign Affairs of Sweden, scholars, reporters and others. The Albanian foreign vice-minister was followed with interest by those present, who put questions on various aspects of the process of democratization in our country.

Attending these meetings was also the ambassador of the PSR [People's Socialist Republic] of Albania in Sweden, Petrit Bushati.

Alia Receives Italian Company President

AU1201213591 Tirana ATA in English 1906 GMT 12 Jan 91

[Text] Tirana, January 12 (ATA)—On January 12 ,the chairman of the presidium of the People's Assembly of the PSR [Peoples Socialist Republic] of Albania, Comrade Ramiz Alia received at the seat of the Presidium of the People's Assembly the president of the Italian firm 'Italtreit", Raffaello Fellah, who handed over to him a friendly message on the part of the premier of the Italian Republic Giulio Andreotti. This message expresses the interest with which the Italian party follows the process of transformations taking place in Albania and which is aimed at establishing a pluralist and democratic system. The reforms being carried out by the Albanian Government, this message says, are taking place at a delicate moment for the international relations. They contribute to the strengthening of these transformations based on an increasing engagement of tolerance and mutual cooperation, towards a rapprochement among the countries with different systems.

Comrade Ramiz Alia asked Mister Raffello Fellah to convey to Mister Giulio Andreotti his thanks for this friendly message.

The president of the Italian firm breafed the chairman of the Presidium of the People's Assembly Comrade Ramiz Alia, about the projects of economic cooperation of his firm with the Albanian enterprises, which he considered and profitable for both countries.

Comrade Ramiz Alia assessed this cooperation not only in the economic aspect but also as a way and means for the strengthening of friendship and rapprochement between our two neighbouring countries.

Raffaello Fellah offered to Comrade Ramiz Alia also a collection of the books written by the Italian Premier Giulio Andreotti, presented by the author, known as a distinguished publicist and politician.

Attending the reception were also the director of the International Relations Study Institute, Prof. Sofokli Lazri, as well as the ambassador of Albania in Italy, Dashnor Dervishi.

Council Decides To Apply to IMF, World Bank

AU1201215891 Tirana ATA in English 1900 GMT 12 Jan 91

[Text] Tirana, January 12 (ATA)—The government's spokesman reported that the Council of Ministers decided to approve on principle the membership of the Albanian State Bank in the International Monetary Fund (IMF) and in the World Bank (WB).

In conformity with the above decision, the Albanian State Bank sent the official request for membership to the IMF and WB.

Both of these international financial institutions operate in the framework of UNO. IMF has as its first hand duty the consultation and cooperation among the member countries on international foreign currency problems. Whereas the WB is an institution of long term credit for the economic reconstruction and development of the member countries.

Normally, the spokesman said, after the dispatch of the official request, the process of the approval by the IMF, and later by the WB, lasts 1, 5 up to 2 years. But there are cases, as for example with Bulgaria or Czechoslovakia when the approval lasts only 9-10 months.

Limitations of 'Patriotic Propaganda' Described

AU1501091391 Tirana ZERI I RINISE in Albanian 5 Jan 91 pp 1-2

[Skender Shkupi article: "The Homeland and Patriotic Propaganda"]

[Excerpt] [passage omitted] Our patriotic propaganda has been of poor quality for many years. We have often adopted extreme positions. To increase love for Albania, we have tried to tempt our people with slogans stating on the one hand that we are a rich and prosperous country, which does not correspond to the truth, and on the other hand that people in the United States live in misery, which is also not true. Why was such a comparison necessary? What relevance do living standards and material goods have to love for the homeland? It is the same as telling a child that he should love his father more than the man who lives on the floor above, because he is better off! In fact, we have done just such a thing. We have not understood that patriotism is such a powerful feeling that there is no need to politicize it. It is enough in itself.

For many years, traveling abroad has been virtually a reward for us, an honor for people who were considered more meritorious than others. Meanwhile, our propaganda dealt principally with the dark sides of foreign countries. This gave rise to a contradiction: Those very same people who talked and spread so much propaganda about the misery in capitalist countries left no stone unturned in their efforts to go abroad for "working visits" or for "specialization." This behavior in practice, in contrast to what was said and propagandized, turned "going abroad" into a fetish. The Zylos [Comrade Zylo, character in novel by Dritero Agolli, a dyed-in-the-wool bureaucrat] of propaganda who suffer from the "theorizing" mania never worry about the poor impression created among ordinary people by this dogged insistence on traveling abroad at any cost, in and out of season, whether necessary or not. They imagine that they have developed this game into a fine art when they appear on the television screen, "lamenting" the love they feel for the homeland while they travel among foreign countries. They think that ordinary people, about whom they know very little, are stupid and naive.

How has our patriotic propaganda been organized for many years?

The main preoccupation was to boast that the year 1938 was a zero-point; however, the genuinely miserable state of the country then and the undeniable successes of the 45 years since the liberation are no excuse for not counting until recently even the prewar soccer championships. The work done recently on the school literary readers which appeared last September is praiseworthy. One again sees extreme attitudes, however, but now in the opposite direction. One is, in fact, engulfed in patriotic themes. Educational and moral themes have been almost entirely eliminated—undoubtedly with good intentions—but this shows a lack of intellectual equilibrium.

Beginning in the fourth grade, our children learn about the heroism of the adolescent Ylli Zaimi, who died while rescuing goats (no doubt a fine, inspiring, and educational deed), but how can it be explained that they finish high school without hearing or knowing anything about Oso Kuka [19th century hero in wars against Montenegro], who made a gesture on a Homeric scale? The memoirs of Ismail Qemali have been translated and published in many languages of the world, but our readers know about this figure mainly through the judgments and criticism of Kaliopi Naska or some other writer. Recently, much has been said about Fishta's complexity as a literary figure, but how many Albanians know that he was the leader of the Congress of Manastir [1908] for the final establishment of the Albanian alphabet? Apart from researchers and a few curious intellectuals, nobody.

How inadequate we are in our patriotic upbringing is evident in another way. At sports matches in stadiums and sports halls, people are not used to shouting "Albania, Albania!" although some people faint when Brazil,

Holland, Italy, or England loses!? Does this not show that our national feelings have somehow fallen asleep? [passage omitted]

Emergence of 'Political Pluralism' Noted

AU1401163191 Tirana BASHKIMI in Albanian 6 Jan 91 p 1

[Vladimir Zoto article: "The Floor Becomes a Presidium"]

[Text] Political pluralism is now a reality in our country. The entire society has approved the decision of the 13th Albanian Workers Party Central Committee plenum, that paved the way. The very way in which political pluralism was approved shows that we now no longer wait for new ideas and the longed-for timely solutions for the country's political, economic, and social development to come from above. Democratization creates the opportunity for people to vigorously take part in debate, and even encourages this debate. Meanwhile, people and the masses are exerting greater influence not only on the discussion of the problems which worry society, but in decisionmaking and identifying the best solutions. As an example, we would cite the meeting before last of the General Council of the Democratic Front. As we know, this meeting was to approve this organization's electoral program. Some participants in the meeting stood up from the floor of the hall and demanded changes to the program that had been submitted, to adapt it to the new political situation. They expressed their opinions and put forward arguments. Some people supported these opinions, and others opposed them. Nevertheless, the view of those speakers who sought an improvement of the program became the "decision" of the meeting.

What is new in this? We do not say that such cases are entirely new, but they have never been usual. Usually, we have approved what delegates have proposed and applauded the speeches of comrades who sit on the presidiums of meetings. They open the meeting, express their views, conclude the meeting, and put their seal on the proceedings. There is no need to describe at length the harm which such practices have done. Past and forgotten.

One of these practices is the method of decisionmaking, and people's active participation is determining various solutions. Should we not think carefully before giving our agreement to whatever decision is recommended? Of course. We learn from mistakes, too. We learn, among other things, not to approve things without debate, without stating our opinions, and without calling for explanations—in short, without being persuaded that what is being approved is fair, up-to-date, and responds to everyone's interests. This happens when we conduct democratic debate in a democratic manner. It happens when not only the "presidium" takes part in the debate, but when the "floor" decides. Recently, such a practice has become more common. hus, although you know what will be put forward at the start of a meeting, you find it difficult to foresee how the meeting will end.

This is what also happened at the most recent plenum of the Albanian Writers and Artists Union. At the beginning, the candidates this organization was to put forward for the post of deputy were presented. In the end, the plenum decided that the Writers and Artists Union would not be an independent electoral participant. The plenum's decision overthrew what was said at the start of the meeting. It was the speeches of many artists that led to this reversal.

Different people may judge the conclusions of the two meetings we mentioned in different ways; however, such examples throw light on a new practice. The views of the masses are becoming increasingly prominent in the debates we are conducting. More than before, these opinions and judgments are exerting an influence on choosing the best decisions. Figuratively, the floor becomes a presidium; furthermore, the views of the masses assume the decisive power which was once the property of delegates, of comrades who came from above, and of the presidiums. This is one of the most positive signs of democratic development in our country. The number of those who take part in discussions and debates is growing, as is the number of those involved in decisionmaking. If this is to become common, we need a democratic culture among both those who sit in the hall and those who take their places on the presidium. It is a good thing to voice your views and air your judgment, but it is also good to have the "skill" to appreciate the opinions and judgment of others.

Operation of Joint Enterprises Viewed

AU1401132791 Tirana ZERI I POPULLIT in Albanian 30 Dec 90 p 2

[Article by Ardiana Brahimi of the Institute of Economic Studies: "Joint Enterprises—Profit for Both Sides"]

[Text] The new economic reform now being carried out is being accompanied by a series of changes in property relations. The principal forms of property now operate in a new way, new forms of property are being created, and existing forms are being extended. Such a reorganization does not affect the essence of the ownership of the means of production. The principle of self-financing preserves untouched the position of the state as the owner of state enterprises, while the mechanism now appears more suitable for the growth of state property, tying it increasingly more closely with working people's interests. An expansion of individual property is also evident, to the extent that producers meet their own needs and also produce something for the market. In the field of relations with abroad, a new form of cooperation has arisen, associated with the introduction of new form of property, the property of joint enterprises.

The creation of joint enterprises is a form of cooperation between two partners with mutual interests. For this reason, the partners define their objectives, which they

try to examine throughout the entire work of the joint enterprise. We could mention the following objectives on the Albanian side: the acquisition of advanced technology, increased exports and as a result increased foreign currency earnings, the replacement of imports and the resulting savings of hard currency, the introduction of new and advanced achievements in organization and management, the introduction of new goods to the Albanian market, cost reductions in the production of various products, the creation of new jobs, etc. Of course, we cannot overlook the aims of the foreign partner. His main objectives are: the penetration of a new market, the avoidance of customs difficulties, the elimination of high transportation costs, and access to sources of raw materials and a relatively cheaper work force.

Because we presently lack experience in the operation of joint enterprises, we must be aware that in this form of cooperation each partner tries to profit not only mutually, but also, when it is possible, at the expense of the other party. The large demand for the creation of such enterprises in the world exerts a substantial influence on this. In this sense, the foreign partner exerts pressure for a form of cooperation that is most profitable for himself. The problem of cooperation in joint enterprises is therefore not something that can be taken lightly. The promulgation of the law on the creation of joint enterprises and the approval of a standard kind of contract and statute for such cooperation lay down the main and most vital points in this field. Other documents, which help in preventing as far as possible the foreign partner from profiting at our expense, will accompany the basic laws. The drafting of a useful procedure of work for joint enterprises would create a useful document that could help our side in defining the conditions under which it should start talks for the creation of a joint enterprise.

Another highly important document will be that determining fiscal policy toward joint enterprises. This will define the Albanian state's relations with these enterprises. When we talk about fiscal policies toward joint enterprises, we are considering a range of taxes: a tax on earnings (turnover tax), the imposition or otherwise of customs duties on the various goods, depending on their nature, which the foreign partner brings, as well as the goods which the joint enterprise exports. Why should there not also be a tax on exported profits, which is not mentioned either in the law on the creation of joint enterprises or the standard contract and statute? The work contract, which will govern the relations between the joint enterprise and both Albanian and foreign workers (managers, specialists) is a key document for the enterprise's work. It will cover such important matters as the way workers are to be paid, their insurance, etc.

The creation of a joint enterprise is the result of an agreement between parties interested in profit on both sides. Cooperation implies the creation of joint material and financial resources, which become the basic funds for the enterprise. Contributions to the basic fund may be made in the form of buildings, plant, machinery or other material assets, in the form of rights to use land, water, and other material resources, as well as in the form of financial funds in the currencies of the countries participating in the joint enterprise or freely convertible currency. Under the conditions of our country, the process of creating a joint enterprise is preceded by the drafting of a methodology to assess the value of the various resources on the basis of the most scientific criteria. For instance, the right of land use, as a contribution to the joint enterprise from our side, calls for a real and scientific evaluation. In determining its "price" as a net capitalized earning, it is important to estimate its net income foregone as a result of failing to use it for agricultural purposes. Meanwhile, other factors should also influence this assessment, such as the supply of land and the demand for its use. The foreign partner's contribution of the will include the transfer of technology to the joint enterprise, which also includes the extensive transfer of technical knowledge to ensure that the technology of Western partners in particular is used in the most effective way.

The cycle closes with the distribution of profits (after all the necessary deductions have been made) in proportion to each side's contribution. It must be stressed that we encounter interests of different kinds during the joint enterprise's operations. We may mention here the interest of the foreign partner, the interest of the joint enterprise, and the interest of the Albanian state. We must take care to establish the best possible relationship between the interests of the joint enterprise and the interests of our state. Let us pause to consider an article produced by a joint enterprise for which there is a high demand on the domestic market and the joint enterprise's right to export it. Our side is faced with two interests, that of meeting the needs of the Albanian consumer, and the joint enterprise's interest in earning as much profit as possible through export.

Because the joint enterprise carries out its operations on the principles of total economic accountability, the Albanian state may impose no plan on it. Initially, there is an apparent contradiction between the planned nature of our economy and the exclusion from the plan of various economic units that operates within the country. The relations of the Albanian state and of other enterprises in the country with the joint enterprise are governed by contract. The granting of state orders with acceptable conditions and their acceptance by the joint enterprise greatly help to indirectly plan part of the operations of this enterprise. Similarly, the most effective use of such levers as prices, material, technical supplies, etc. is important. The questions of determining the sale price of goods sold by the joint enterprise on the Albanian market and determining the prices of the products which the joint enterprise will obtain on this market are interdependent problems. Meanwhile, the part of the material and technical supplies which the joint enterprise obtains from our market is planned (because the production of our enterprises which goes to supply the joint enterprises is planned). Similarly, the labor force is also allocated in a planned way.

The incorporation of the joint enterprise in our plan means that it can no longer be seen as an isolated economic unit merely aiming at the highest possible profit; it becomes a constituent and active element of our economy. This is the only way of achieving our objectives of acquiring more advanced technology, introducing new goods to the Albanian market, introducing new and up-to-date forms of organization and management, and acquiring more hard currency from higher exports and lower imports, etc. Thus we achieve better harmony between the interests of the Albanian state and those of the joint enterprise.

*** Advantages of Integration Into EC**

9IP20067A Tirana BASHKIMI in Albanian
24 Dec 90 p 4

[Genc Kondi article: "European Politics and Albania"]

[Text] The processes begun in the European community have a goal: the political unity of the member states. The creation of a West European superpower in our days is realizable—the inevitable result of objective economic processes. The other European countries are following the "predicted integration process," if we apply Marxist terminology creatively.

What attitudes can be taken in regard to this reality? There are few alternatives. The hypothesis accepted up to now—the idea that the creation of a United States of Europe is impossible—is far removed from the actual situation. Therefore, a country which is labeled continental has the choice of deciding to remain a spectator in the pan-European integration process or deciding to take an active role in joining in the process. One cannot judge, a priori, which is the more appropriate of these two alternatives for each state and each people and determine which one provides a more favorable status for a country's development. What would this be for our country?

Naturally, this basic problem for the future of Albania can be solved only through the involvement of all members of society and all political forces. Only the elimination of all ideological taboos and veils of mystery, which extend as far as the underestimation of one's own worth—phenomena which are frequently encountered in our country—will bring about a wise and fruitful solution.The domestic social conditions are suitable for such a thing.

1. For the first time, the issue of the creation of a united Europe is being presented in the absence of political coercion. Previous experiments, such as those carried out by Bonaparte, the Third Reich, or the Kremlin, have always been based on fire and iron. This was because there was an absence of economic conditions which are essential for the creation of great and enduring state entities. At the beginning, even the founders of the European Common Market were no more than ardent idealists who operated more in the realm of dreams than in the realm of reality.

West European economic processes brought the issue down to earth. The Single Europe Act calls for the economic integration of 12 European countries, which, later on, can be called independent states only in the formal sense. They agreed on this matter. At the same time, the disintegration of the empire in the East gives a new substance to the process of bringing the countries in the old continent closer together. The new governments in the East seek to be included in the economic and political processes of the other part of the European family; they have made official requests and, at the same time, they are preparing, as a long term goal, for involvements which will arise if they are accepted. Even the neutral countries, have once and for all, it seems, abandoned their traditional policy by choosing the alternative of support for political integration.

This is the result of the conclusion of the cold war, which is creating completely new realities in Europe. Perhaps neutrality was justified in the previous period but now and in the future it becomes an absurdity, with dangerous consequences. If integration is presented as a solution, as a process which can be carried out without warfare and, theoretically, warfare is even ruled out in the future, such a process does not arouse any anxiety.

2. The most discussed issue is the following: what does a European state or people have to lose by integrating with others under actual conditions. It cannot be said that such anxiety is anachronistic. Such things are heard in milieus where there are liberals and in the most progressive circles of Europe. Doesn't political integration result in the loss of national identity, culture, language, customs, traditions, especially for small countries?

In this connection, a wide-ranging discussion is going on. But all are of the same opinion when they assert that it is a question of processes which take many years. As an old European proverb states: "You do not have to have a common purse to combine your spirits." This is all the more appropriate in our days when the struggle for the development of national identities is seen as a sure road to be followed by each country with its own original and inimitable intellectual values in the family of nations. This will be even more important in the distant future, for a world where so many things will change which the mind of today's man cannot capture in its present form—an historic result of an established reality. Various social theories accept a cosmopolitan future where many conventions, symbols, or institutions will yield to others. Let us look at a concrete example. Present-day Switzerland is an entity which, possibly, presents a picture of a future united Europe. For 700 years, different nations, cultures, and languages have been coexisting in the country but no one can say that they have been assimilated. But this has been achieved, first of all, on the basis of economic equality, which avoids discrimination and, secondly, by means of a very effective confederative system which ensures a sound coexistence, without social tensions. Wise intellects in Europe will be

able to come up with other models, which are even more effective. The basic condition remains economic equilibrium.

3. One of the points creating anxiety is the contradiction which exists between two trends: integration, which is a centralizing tendency, and disintegration, which goes in the opposite direction. Some European federations are moving, in a visible manner, toward dissolution. Decentralization is presented as a better road, with more social benefit than centralization, in various fields. But does not this contradiction compromise the current process in Europe?

If you look carefully to see the origin of the centralizing, centrifugal, and disintegrating tendencies, the representation on the map will be concentrated on the former socialist bloc. This is because those federations or the bloc itself have been created and kept together by political methods and the necessary conditions have not been created for real unity and integration. In this interpretation, nations, republics, or provinces have the right to seek the settlement of problems outside the confines of unsuccessful entities. Naturally, such a tendency does not rule out but, on the contrary, strengthens general European integration. These "dissidents," in their states, are in favor of participating as subjects on their own account in Europe, where, later on, with the establishment of a big family, without political and intellectual borders, there will be achieved not only a federation or confederation but also an entity which will join in brotherhood all residents of the continent. Global integration is achieved by means of decentralization at the lower level.

We now come to the most important issue for us: what should be Albania's attitude toward this process?

It is easier to be in favor of further economic integration than further political integration. The economic benefit of participation in European processes is measured by concrete data. But, let us not forget that economics and politics are linked. Right now, some 20 percent of Albanian chrome exports must be sacrificed on the altar of the highest customs tariffs, solely because of lack of diplomatic recognition by the Common Market. Therefore, there are economic sanctions for political reasons.

And now we come to more recent sanctions: the European Community has constantly exerted economic pressure on Albania and recently this has become political pressure. The two basic conditions, both for diplomatic recognition by the European Community and for entry into the CSCE were the acceptance of a market economy and political pluralism. Now our country has superseded these barriers. However, the stabilization of the situation in this direction still presents difficulties.

In order for Albania to enter directly into the multilateral European integration processes there must be an expansion of the positive changes which have been begun, with the goal of the overall restructuring of political thought. The policies of previous periods have left negative feelings, inertia, fear, and insecurity now that conditions have changed radically. This is all the worse since some people charged with the implementation of policies are not adapting themselves to the new demands of the times. The main thing is the reinforcement of the idea that the political integration of Albania in a united Europe is not only inevitable but also beneficial, in all aspects of the social life of our country. There can be no real success in the economy, culture, socio-political and scientific life, and art if our efforts are not joined with those of Europe, or if modern European civilization is scorned or considered to be unattainable—two extremes of the times. The extremists would like to move through the stages immediately but this would be reckless. Albanian integration into a united Europe must be carried out in a civilized, mature, and intelligent manner—embodying qualities which our people have demonstrated both within and outside the borders of the Albanian state on more than one historic occasion.

Someone might be opposed to such an idea. Others were against political pluralism within the country. But time will tell. More things join us to Europe than separate us. We must face the new processes with courage and with opinions liberated from the shackles of outmoded concepts. There is another issue. Is Europe ready to accept us into its ranks? Everyone is calling upon the European Community these days; the demand is great and the supply is small. But a united Europe understands that it will be incomplete until all countries are included. The important thing at this time is our further political commitment to integration into another part of the European family. History will do its work. Our people have never shrunk from the challenges of history but have confronted them face to face.

Parties, Movements Protest Against USSR

AU1401212291 Sofia Domestic Service in Bulgarian 1830 GMT 14 Jan 91

[Text] A declaration of the Union of Democratic Forces [SDS] Coordinating Council states that the invasion of USSR commando troops in Lithuania is a dangerous relapse into Stalinism. It represents a threat against the democratic development in the republics that achieved their sovereignty by the people's vote, and also for all of us who until recently belonged to the so-called socialist camp, the declaration says.

The Permanent Board of the Bulgarian National Agrarian Union [BZNS] expresses the grave concern of united agrarians in facing the dangerous development of events in the Baltic republics.

The Federation of the Glasnost and Democracy Clubs expresses confidence that it is not too late for political common sense to prevail and that the Baltic conflict may be resolved with civilized means.

In its declaration the Radical Democratic Party declares itself against any form of violence and urges Mikhail Gorbachev, the winner of the Nobel Peace Prize, to show political common sense.

The National Executive Committee of the Bulgarian Democratic Youth appeals to the Soviet leadership to embark upon the path of peaceful methods of resolving nationality conflicts.

The use of force for solving internal state and interstate problems is inadmissible, the Political Council of the Alternative Socialist Party [ASP] thinks.

The Union of Social Democratic Youth says that the dispatching of troops to the Baltic countries could be evaluated as a gross violation of national sovereignty.

More Protests Against USSR Action

AU1401212191 Sofia Domestic Service in Bulgarian 1830 GMT 14 Jan 91

[Text] Tonight several hundred citizens gathered in front of the USSR Embassy in Sofia. The demonstration was an expression of protest against Moscow's hardline policy in the Baltic republics and the Soviet military intervention in Lithuania.

The demonstrators raised signs with slogans, such as: "Stop the Bloodshed," and "Freedom for Lithuania." Some of the participants in the demonstration were received by a counselor of the Soviet Embassy to whom they presented a protest note, stating that the recent events in Lithuania represent a threat to world democracy.

Foreign Ministry Statement on Lithuanian Events

AU1401174191 Sofia Domestic Service in Bulgarian 1600 GMT 14 Jan 91

[Statement by unidentified Foreign Ministry spokesman; place and date not given]

[Text] The recent events in Lithuania, especially following the intervention of military units during which human lives were lost, evoked the serious concern and alarm of the Bulgarian public.

The Republic of Bulgaria is guided by the firm conviction that the solution of the current difficult problems in Lithuania should be sought not in the use of force, but along the path of dialogue and good will by respecting the interests of all nationalities and of the law. By appealing to all sides to refrain from further use of force, we express the hope that the outcome from the crisis situation in Lithuania may be achieved by peaceful means, the spokesman of the Ministry of Foreign Affairs points out in his statement.

[In the same newscast, Sofia Domestic also reports that President Zhelyu Zhelev met with Vladimir Ivanisov, charge d'affaires ad interim of the USSR Embassy in Sofia, and "expressed the wish to be informed on the Soviet Government's position in connection with events in Lithuania."

[Sofia Domestic adds: "President Doctor Zhelyu Zhelev pointed out that restructuring in the Soviet Union is not only a domestic issue, but a process of international signficance. Without restructuring, the processes of democratization in Eastern Europe would have been unthinkable."]

'Vandals' Torch Bulgarian-USSR Club

AU1401233091 Sofia OTECHESTVEN VESTNIK in Bulgarian 8 Jan p 3

[Mikhail Keremidchiev report: "Vandals Burn Down Bulgarian-USSR Friendship Club"]

[Excerpt] Last night unidentified persons committed an act of terror in the Ruse Club of Bulgarian-USSR Friendship. Breaking the glass door, the vandals entered the building, forced open the doors of six rooms, and caused extensive damage that ended with setting fire to the building. [passage omitted]

Additional Funds Needed To Prepare Gulf Units

AU1201191991 Sofia NARODNA ARMIYA in Bulgarian 4 Jan 91 p 1

[Senior Lieutenant Petyo Kostadinov report]

[Excerpt] [passage omitted] On 3 January we called Colonel Stefan Dimitrov who, as is well-known, was entrusted with the command of the Bulgarian contingent

for the Persian Gulf. We learned from him that organizational preparations are complete for forming the unit. Its final composition and training will be accomplished as soon as the necessary funds are provided for this purpose. A memorandum has been prepared on this matter, addressed to the president of the Republic and the Council of Ministers, which confirms the readiness and justifies the sums of money needed for training the military unit. For the present stage alone, 11.5 million leva and 1.7 million dollars are needed.

In answer to our question about the principle according to which the medical team will be formed, Colonel Dimitrov said that this will be done by recruiting volunteers who possess proven professional qualifications and are capable of adequately withstanding the climatic conditions from the lists provided. [passage omitted]

Iraqi Jet Transports 114 Nationals to Sofia

AU1401142191 Sofia Domestic Service in Bulgarian 1400 GMT 14 Jan 91

[Text] On 14 January a chartered Iraqi airplane with 114 Bulgarian citizens on board, landed in Sofia. Zdravko Velev, head of the Arab Countries Department at the Ministry of Foreign Affairs, said to a BTA reporter that 14 Bulgarian citizens remain in Iraq. They are employees of the united mission of Bulgarian economic organizations, and will protect Bulgarian property in Iraq.

The Bulgarian Embassy in Iraq will continue to function. All employees have been given antichemical warfare equipment, as well as food, water, medicines, and fuel. Daily contact will be maintained with the embassy.

Irish Foreign Minister Meets Counterpart

AU1401153291 Sofia BTA in English 1311 GMT 14 Jan 91

[Text] Sofia, January 15 (BTA)—An agreement in principle has been reached for holding a new meeting between the two foreign ministers. The date of the meeting will be specified later.

Last night Mr. Vulkov and Mr. Collins discussed bilateral relations and a wide range of topical international issues, including the latest development of the Persian Gulf crisis.

This morning high-ranking officials of the Bulgarian and the Irish Foreign Ministries held consultations on concrete problems of the relations between the two countries and discussed the possibilities and the forms of the future development of Bulgaro-Irish cooperation.

Greek Foreign Minister Arrives 12 Jan

AU1201170791 Sofia Domestic Service in Bulgarian 1600 GMT 12 Jan 91

[Text] Today Greek Foreign Minister Andonios Samaras arrived here from Geneva to join the official Greek delegation that is ending its visit to Bulgaria. He made a short statement to our reporter Stoyko Vlakhovski, in which he gave his assessment of the talks in Switzerland and the prospects of a conflict in the Persian Gulf.

[Begin Samaras recording in Greek, fading into announcer-read translation in Bulgarian] The evolution of events in the Persian Gulf have reached a final point, as far as the efforts for a peaceful solution is concerned. The intensification of these efforts compelled me to travel to Geneva for talks with my colleagues, instead of being in Bulgaria on the first day of the visit by the official Greek delegation.

I presume that the mass media have already made known the position adopted by the foreign ministers of the EC member countries in their talks with UN Secretary General Xavier Perez de Cuellar. No doubt the UN secretary general has already informed Saddam Husayn of this position—I assume so, because Perez de Cuellar is supposed to be in Baghdad today. [end recording]

We are of the unanimous opinion that a peaceful outcome is possible, said Andonios Samaras, if the president of Iraq agrees to withdraw his troops from Kuwait. For the present, however, I have no concrete information available which might suggest even partial readiness for concessions on the Iraqi side. Despite this, I hope that a peaceful solution may be reached, even at the last moment, Greek Foreign Minister Andonios Samaras told our reporter.

Ethiopian Vice President Meets With Lilov

AU1501085991 Sofia DUMA in Bulgarian 11 Jan 91 p 2

[Text] Our party is a long-standing champion of developing state relations between Bulgaria and Ethiopia. This corresponds to the interests of the two peoples and to already existing traditions. With those words Aleksandur Lilov, chairman of the Supreme Council of the Bulgarian Socialist Party [BSP], greeted Fisseha Desta, vice president of the People's Democratic Republic of Ethiopia, and the persons who accompanied him. Addressing him also as a member of the Politburo of the Democratic Unity Party [name of party as published], Aleksandur Lilov said: "We would like cooperation between our parties to continue. We consider ourselves a part of the European and world leftist forces. The times require that we unite to meet the challenge."

Fisseha Desta spoke of the issues that the Democratic Unity Party is presently solving. As a vanguard of the masses the socialist parties have a dual responsibility. They must defend the interests of the working people and adapt to the inevitable changes, he said.

The meeting was attended by Lyubomir Kyuchukov, deputy chairman of the BSP Supreme Council.

Union of Bulgarians in Yugoslavia Registered

AU1501082191 Sofia BTA in English 0800 GMT 15 Jan 91

[Text] Sofia, January 15 (BTA)—The Democratic Union of Bulgarians in Yugoslavia was registered by the Republican Secretariat of Justice in Serbia at the end of last year, the Bulgarian language "BRATSTVO" paper published in Nis reports in its latest issue. The program of this cultural and political organization includes four principal aims—consolidation of the Bulgarian ethnic identity, the solving of the socioeconomic problems in the regions inhabited by Bulgarians, the strengthening of democracy and the struggle for the protection of environment.

The union was founded in Nis. It is chaired by the journalist of the "BRATSTVO" paper Kiril Georgiev.

ASO Wants BSP Leader Lilov's Resignation

AU1101154991 Sofia BTA in English 1458 GMT 11 Jan 91

[Text] Sofia, January 11 (BTA)—Today the intraparty opposition, the Alternative Socialist Organization (ASO) has called for the resignation of the BSP [Bulgarian Socialist Party] leader Mr. Aleksandur Lilov. The reasons are not personal but are in connection with the opinion that neo-Stalinist forces in the party are hiding behind his back.

The ASO leader said Socialists must be on the alert because the totalitarian structures in the party are being restored. At a news conference Mr. Valentin Vatsev stated that a party with half a million of members, which the BSP will probably be after the end of the campaign for the renewal of the membership, cannot be democratic on a Bulgarian scale.

Lilov, Tomov BSP News Conference Reported

AU1501093791 Sofia DUMA in Bulgarian 10 Jan 91 pp 1, 2

[Vasil Popov report on news conference the Bulgarian Socialist Party leadership in Sofia on 9 January]

[Text] The Bulgarian Socialist Party [BSP] and its leadership categorically and wholeheartedly support the political agreement between the parliamentary forces which was recently signed and which evoked controversial press comments, Aleksandur Lilov, chairman of the BSP Supreme Council, stated at yesterday's news conference organized by the BSP Press Center and the SOFIAPRESS news agency. The agreement is a positive sign for Bulgaria's future development. Aleksandur Lilov further pointed out as follows:

The agreement is an expreession of goodwill between the political forces, and good will is nearly always promptly followed by a remarkable improvement of the political situation in the country. Lilov pointed out that the last week of 1990 and the first days of 1991 were characterized by a certain alleviation of political tension. In addition to this, Lilov described the agreement as a serious foundation for overcoming the government crisis, which could have escalated into a political crisis.

We do not think that the present Bulgarian Government is a government of self-sacrifice that is doomed to failure, Aleksandur Lilov stressed. He confirmed the clear and unmistakable support of the BSP for the government's chance to not only accomplish positive deeds, but also to be remembered as the government that had the courage to assume a great responsibility under very difficult circumstances. Our party supports the prime minister and all the ministers of the cabinet, irrespective of the parties they are affiliated with, as long as they adhere to the agreement signed, Lilov added.

My proposal that the post of BSP parliamentary group chairman should be separated from the post of party chairman was prompted by serious considerations of principle, and I am pleased that it was accepted, Aleksandur Lilov also stated.

So far the government has not adopted any decision on prices, considering that they will not be administratively settled, Aleksandur Tomov, deputy chairman of the Council of Ministers said. The report on price increases published in the daily DUMA presumably refers to future prices under the conditions of their liberalization, which are expected to be considerably higher than the prices proposed by the Lukanov government. However, we should not forget that quite a long time has elapsed during which economic conditions have essentially changed. If we should postpone the reforms for another 2-3 months, the prices will increase even more on the basis of their market value, Tomov stressed. As for the specific price situation, Tomov recommended that we should wait a few days.

Our party has no reason whatsoever to be dissatisfied with the deadline of the upcoming elections scheduled for March 1991. It intends to hold its next congress immediately following the elections, the BSP chairman stated, answering the question of a Bulgarian television reporter. He stressed that this question was much easier than the "tanker question" addressed to Aleksandur Tomov, while Klara Marinova added that the television was always favorably disposed toward the BSP.

As a country and nation, we should not only try to avoid severing our relations with the Soviet Union, but it is to our great advantage to keep our relations intact, Aleksandur Tomov emphasized in replying to a question about Soviet oil deliveries to Bulgaria. He stressed that the West has given us the same advice on promoting relations with the USSR. According to him, considerations of an opposite nature, as they appear in some mass media, are rather shortsighted. This applies in particular to the situation after the signing of an agreement with the USSR. As for the question of oil supplies, we have reached an agreement for a total of 6.5 million

tons of oil deliveries per annum, which is slightly below the level of the necessary minimum, but that has not been achieved by any other East European country.

The BSP leaders also answered questions on ideological trends within the party. According to Lilov, no diminuation of the strength, energies, and ambitions of one current to the advantage of another can be observed within the BSP. On the contrary, he said, each current plays its own role and the approach of the party congress even stimulates the "appetite" for action and initiative more. It is easy to express a reformist spirit in writing, but it is more difficult to reflect it in the party's structure, nevertheless the spirit of reform can already be perceived in the activities of local party organizations. We will not present ourselves at the party congress with one victorious current, but with a slow and difficult yet irreversible change in the party. I advise you not to expect that the BSP will return to democratic centralism, because you will be disappointed.

According to Tomov, the external manifestations of fading ideological currents presumably result from the fact that these currents are being integrated within the party itself. This is an accelerated process and the representatives of different currents have joined the leaderships of the party councils.

The central leadership has approximately 100 open positions on the payroll, only 70 of which are occupied. In dozens of municipalities party work is entrusted to people who work on a voluntary basis, Aleksandur Tomov announced.

At the very beginning of the news conference Klara Marinova explained that on the previous night the BSP parliamentary group opened the discussion on a declaration in support of the political agreement that will be additionally adopted. She stressed that a joke made at the previous news conference was evidently taken seriously by some people who lack all sense of humor, therefore she would like officially to delcare that Filip Bokov, Lyubomir Kyuchukov, Dimitur Yonchev, and herself are Socialists and have re-registered as BSP members.

BSP Expels Former Leading Officials

AU1401161691 Sofia DUMA in Bulgarian 6 Jan 91 pp 1, 2

[BTA report: "The All-Party Control Commission Held a Three-Hour Session"]

[Text] The Bulgarian Socialist Party [BSP] All-Party Control Commission has reviewed 22 cases over the period following the 39th BSP Congress. The following members were expelled from the party ranks: Emil Khristov, Drazha Vulcheva, Ognyan Doynov, Pencho Kubadinski, Dimitur Stoyanov, Khristo Ruskov, Petko Danchev, Lazar Prichkapov, and Grigor Stoichkov. The membership of five BSP members was restored for the full period of their service in the party while three members were rehabilitated post mortem.

The All-Party Control Commission confirmed the decisions of the municipal control commissions in Stara Zagora and Varna testifying that former accusations against Mincho Yovchev, Ivan Ivanov, Lambo Teolov, and Milka Peeva were unjustified and that they are not guilty. Party investigations were started on the more complicated cases.

A total of 86 complaints, petitions, and explanations were submitted to the All-Party Control Commission over the period under review, 21 of which are related the party status of individual members. The work on 15 of these cases has been completed.

It was pointed out that in exercising its control functions over the financial, administrative, and economic activities of the party organs and organizations, upon the management of party property, the commission has conducted three comprehensive financial investigations, and 40 inventories of the property for which named persons were specifically responsible took place.

Is the work that has been done sufficient or insufficient? Have the activities of the commission been stagnating lately? What should be done to intensify its work? Such questions were discussed at yesterday's meeting of the All-Party Control Commission which lasted more than three hours.

Numerous members insisted that the personal guilt of other former members of the party's top leadership should be established. On this occasion the request was submitted that representatives of the commission should attend the opening of the party archives and participate in the sessions of the BSP Supreme Council.

Re-registration of party members and the introduction of new membership documents should be an opportunity for resolutely relieving the BSP of functionaries who have disgraced themselves and of people who have abused their social status and their power, the speakers at the meeting pointed out. According to them, this is the only way for the BSP to restore confidence and recruit young people. The hitherto obtained information shows that the majority of re-registered members are middle-aged, or elderly people.

SDS' Ganev Criticizes Paper's Article

AU1101195791 Sofia BTA in English 1729 GMT 11 Jan 91

[Text] Sofia, January 11 (BTA)—Mr. Stoyan Ganev, since last night co-chairman of the Parliamentary Union of Democratic Forces, [SDS] has called the prosecutor general to bring to book those who have slandered him in today's "DUMA".

The Socialist daily carried today an article by Mr. Samuel Fransez [name as received], who referring to "well-informed sources" writes that Mr. Ganev has

become an M.P. [member of parliament] by forging election protocols being 400 votes short. There is another feature against Mr. Ganev in the same number of "DUMA".

Metropolitan Pankrati, chairman of the Parliamentary Mandate Commission which has been working on the validity of the elections for [the] Grand National Assembly for six months now, told the press today their work is still unfinished. He protested against the revealing of any information belonging to his commission's terms of reference. "Neither a journalist nor an M.P. can disclose such information," he said. He insists on discovering the M.P. who made the information public.

The rumors that there is something wrong about the election of Mr. Ganev haunted the parliament last night when the parliamentary opposition was electing a leader. Mr. Ganev himself heard about this rumor two weeks ago. It is spread by a lady from the parliamentary group of the BSP [Bulgarian Socialist Party], he said.

Mr. Ganev told a BTA reporter more about it. According to him, there is a list of 28 M.P's of the SDS who are to be ruined politically. The first name on the list was Mr. Petur Beron's. He was destined to resign as leader of the opposition after being accused of cooperating with the secret police. But, in the long run, this accusation remained unverified. According to this list Stoyan Ganev is the second figure in the SDS to be brought into discredit.

Stoyan Ganev is 35 years old, jurist, specialist in constitutional law. He is co-chairman of the United Democratic Center. Recently his organization has been making no secret of its friendly relations with the Radical Democrats and the Greens. Their differentiation into a separate bloc became obvious during the election for a new leader of the parliamentary opposition. The Social Democratic Party and the Nikola Petkov Bulgarian Agrarian Party are setting up a group of their own.

Poll Shows Many Believe BSP Hinders Reform

AU1201203191 Sofia BTA in English 1944 GMT 12 Jan 91

[Text] Sofia, January 12 (BTA)—According to 34 percent of the respondents in an enquiry held by the Sociological Research Centre with the Bulgarian Television the Bulgarian Socialist (formerly Communist) Party (BSP) hinders the reform in Bulgaria. According to 18 percent it is the opposition Union of Democratic Forces (UDF) that hinders it. Only four percent think the nomenclature is trying to prevent it.

The results of the enquiry were announced this evening in the Panorama political review program of the Bulgarian Television.

23 percent of the respondents hold the opinion that the UDF is the engine that could pull Bulgaria out of the crisis; 11 percent set their hopes on the BSP to do it; 27 percent pin their hopes on a coalition.

The percentage of Bulgarians who believe in fair elections has dropped. In May they accounted for 30 percent, now they account for only 20 percent.

According to the results of the enquiry the main source of topical political information in the country is the national television—87 percent of the respondents. It is followed by the national radio and only then comes the press. The most popular television programs are again Every Sunday and Panorama.

'Democratic Front' Council Repudiates Meeting

AU1401163391 Sofia DUMA in Bulgarian 7 Jan 91 p 2

[Text] The Coordinating Council of the "Democratic Front" Independent Public Citizens' Organization declares that the participants in the general meeting held on 6 January do not represent anyone; most of them are long-discredited former members of the organization or not members of the organization at all.

The council brands as impostors those who declared themselves to be leaders of "Democratic Front." It is announced that the organization is conducting a financial audit, which to date has not revealed any breaches.

The declaration is signed by Chairman Svetozar Ivanov, Deputy Chairman Vesel [name as published] Vasilev, and Svetlana Spasova.

Democratic Front Meeting Expels Former Leaders

AU1401161391 Sofia DUMA in Bulgarian 6 Jan 90 p 2

[Text] Falsification of the minutes of meetings of the Coordinating Council, and misappropriation of all the organization's cash funds without submitting documents—these were only some of the charges leveled against the former leadership of the "Democratic Front" Independent public citizens' organization at the organization's general meeting held on 5 January, according to a report broadcast on Bulgarian television. The meeting expelled Svetozar Gulubov, chairman of the Coordinating Council; Deputy Chairman Vasil Vasilev; and members Pavel Mazulov, Nikolay Meranzov, and Svetla Spasova. Penal proceedings will be brought against them through the Sofia Prosecutor's Office.

The new leadership, whose chairman is Ivan Stoyanov, adopted a program under which the "Democratic Front" will become the most extreme right-wing member of the Union of Democratic Forces.

Pushkarov 'Deeply Astonished' by Expulsion

AU1101105991 Sofia SVOBODEN NAROD in Bulgarian 4 Jan 90 p 3

["Statement by Ivan Pushkarov;" place and date not given]

[Text] I am deeply astonished by the news which I read this morning in SVOBODEN NAROD of the decision of the Executive Council of the BSDP [Bulgarian Social Democratic Party] to remove me from the membership of the Executive Council and expel me from the BSDP. In my view, a number of points in this decision are not legitimate.

First, for the whole period of my work so far I have felt the support of all the political forces in the Union of Democratic Forces [SDS], and this in fact was explicitly declared throughout the period preceding the formation of the government. What is more, a BSDP representative in fact played a leading role in the formation of the government, and it was on his insistence that my candidature for a cabinet post was submitted for discussion.

Second, according to the report, the decision of the Executive Council is based on the decisions of the National BSDP Conference in Shumen, a statement which is contrary to the truth. The conference adopted no such decisions. The Shumen declaration speaks of a BSDP representative not singling himself out in the government, which is something completely different. Immediately following my approval as minister I issued a statement that I was entering the government not as a delegated representative of my party, but as a specialist, a member of a team. If the Shumen conference had adopted a decision in the sense of the position adopted now by the Executive Council, this would have made it impossible for the BSDP representatives to sign the political agreement.

Third, I am particularly distressed by the fact that I learned of my expulsion from the newspaper. The decision was made at a meeting which I was not invited to attend. A further four or five members of the Executive Council were also not invited to take part. I consider it extremely anti-democratic to consider such a serious issue as the expulsion of a member in the absence of the person concerned.

I consider that this is a case of settling political accounts, behind which other intentions and reasons are concealed.

I do not want to hide the fact that the decision of the BSDP Executive Council represents a political blow against the work of the entire government. As a member of this government, I can express the clear position adopted by myself and my colleague that we will not allow ourselves to be challenged by such political acts, which lead to destabilization of the cabinet and a split in the SDS.

Interior Minister Danov Announces Restructuring

AU1101194191 Sofia BTA in English 1832 GMT 11 Jan 91

[Text] Sofia, January 11 (BTA)—"The Ministry of the Interior will be changed entirely," said today in parliament the new Minister of the Interior Mr. Khristo Danov in response to M.P.'s [members of parliament] interpellations.

When asked whether is a special anti-terrorist unit exists in Bulgaria, Mr. Danov explained that the new structure of the ministry provides a special department intended to fight organized crime, drug and arms traffic.

Mr. Danov announced that in 1988-89 the security forces have confiscated 1994 illegally possessed weapons, including 989 sporting guns, 10 submachine guns, 157 army rifles and 446 pistols.

The minister of the interior gave detailed information about the incident with Ms. Vera Meyerhoffer, Austrian citizen of Bulgarian descent, who had been beaten by two policemen. Mr. Danov discharged one of them and 36 other policemen resigned in protest. Mr. Danov told the M.P.'s he would not give way to the pressure and will accept all the resignations. "I wouldn't allow police employees use force in such conditions," he declared.

SDS Demands Quicker Land Bill Adoption

AU1401221891 Sofia BTA in English 1440 GMT 14 Jan 91

["UDF Insists on Speedier Adoption of the Land Law"—BTA headline]

[Text] Sofia, January 14 (BTA)—The Union of Democratic Forces [UDF] believes that the Land Law should be adopted as soon as possible.

In the next few days the UDF deputies will propose that the parliament suspends its debates on this law and proceeds to its voting. The UDF parliamentary faction has drafted a special document proposing solutions to the controversial points, journalists were told today at the regular briefing of the UDF.

If this draft is not approved the Union of Democratic Forces will discuss the question whether its deputies should continue their participation in the parliamentary sessions. The UDF spokesman Mr. Mikhail Nedelchev believes that this firm stand will not lead to a parliamentary crisis because he hopes that the other side (the BSP [Bulgarian Socialist Party]) will show common sense.

Mr. Stoyan Ganev, cochairman of the Parliamentary Union of the UDF, does not exclude the possibility that the parliament will adopt a preliminary resolution on the issue of the land and only then the Land Law itself.

SDS 'Might' Propose Leaving Warsaw Pact

AU1401220091 Sofia Domestic Service in Bulgarian 1830 GMT 14 Jan 91

[Text] It is possible that the Parliamentary Group of the Union of Democratic Forces [SDS] might propose that Bulgaria leave the Warsaw Pact as early as at the Grand National Assembly plenary session on Wednesday, 16 January.

This was stated by Aleksandur Yordanov, SDS spokesman, at today's news briefing of the union.

As Ivan Gorinov from the Green Party stated at today's session of the SDS Coordinating Council,his party proposed that the representatives of the union in parliament should undertake steps for Bulgaria to leave the Warsaw Pact. The proposal was accepted by a majority.

Mr. Gorinov explained that such a question cannot be resolved without the participation of the Foreign Policy Commission in parliament and the National Security Commission, but the SDS is entitled to submit its view. The actions of the USSR in Lithuania motivate this decision.

Position on Nuclear Weapons Tests Articulated

AU1501082391 Sofia BTA in English 0802 GMT 15 Jan 91

[Text] Sofia, January 15 (BTA)—At the UN Conference on the Achievement of a Total Ban on Nuclear Weapon Tests, Bulgaria expressed the stand that this aim can be realized gradually, step by step. Mr. Dimitur Kostov, Bulgaria's standing representative in the world organization, said that this approach is obviously more realistic than the demand for adopting an immediate ban.

Bulgaria was elected deputy chairman of this important conference. In his statement Mr. D. Kostov pointed out that this country is for a speedy achievement of a total ban on nuclear weapon tests and expressed the opinion that today it is quite possible to determine by technological means whether this treaty is being observed. Mr. Kostov declared himself for decreasing the number of nuclear weapon tests and stressed that gradual restrictions can be achieved through negotiations between the nuclear states.

Current Black Market Prices Reported

AU1501084391 Sofia BTA in English 0818 GMT 15 Jan 91

[Text] Sofia, January 15 (BTA)—At the end of last week, the U.S. dollar traded for 18 to 25 leva on the black market in Bulgaria's larger cities. Reporters found that the U.S. currency was most expensive in the Black Sea town of Burgas. The current National Bank selling rate is 11.80 leva for the dollar. The average monthly wage in Bulgaria is 308 leva, which is equivalent to 26 dollars at the official exchange rate.

On the free market, one kilogram of meat cost from 9 leva in Burgas to 18 leva in Sofia. If they had anything to stock, state-run butchers' would have still charged 5.40 leva per kilo. Throughout Bulgaria, a kilogram of beans sells for 6 leva, a kilo of onions for 5 leva and a kilo of potatoes for 2.50 leva. The piece price of eggs ranges from 0.40 leva to 0.60 leva. The state- regulated price is 0.13 leva.

A kilogram of coffee is available at prices varying from 100 to 130 leva. Imported cigarettes fetch 12 to 20 leva a packet, and Bulgarian-made ones from 3 to 5 leva. A pair of jeans starts from 180 leva and can reach as much as 240 leva in Sofia. A pair of plain lady's boots sell for up to 320 leva. Wool sweaters range from 180 to 420 leva and the priciest are on sale in Sofia. Leather jackets cost up to 3,000 leva. The minimum monthly wage in Bulgaria is 165 leva.

Official Examines Rising Unemployment Figures

AU1401133791 Sofia DEMOKRATSIYA in Bulgarian 7 Jan 91 p 2

[Nora Borisova report]

[Text] The number of unemployed in the country rose to 77,300 (from 20,000 in April 1990) in the space of a single year. The worst situation is seen in Plovdiv, with 13,771 unemployed, followed by Sofia Oblast, with 11,915 out of work. The city of Sofia also takes one of the prizes, with 9,552 unemployed. The continued rise in unemployment is accompanied by a fall in the number of job vacancies. Before 20 December 1990 there were only 27,937 positions available.

A further tragedy is that even those job vacancies that are available can hardly comfort unemployed specialists with secondary and higher education. There are more jobs available for workers, despite the fact that the number of specialists seeking work is greater. For example, of the 4,117 vacancies in Sofia, only 159 are for persons with higher education!

The reasons for this new phenomenon lie in the restructuring of the economy, the closure of production facilities, and the lack of raw materials, stated Dimitur Angelov, deputy chief of the national labor exchange under the Ministry of Labor and Social Welfare.

This first leap in the national unemployment figures is unlikely to be the last. The beginning of the economic reform will "raise" a new wave. According to the IMF, if economic stability is not achieved within one or two years, the number of unemployed will reach almost half a million.

Until now, however, the social security system has been inadequate to provide for all the unemployed. The famous Council of Ministers Decree No. 57 "protects" only those made redundant through the closure of production processes. So far the ministry's special fund for redirecting and retraining cadres has paid out 19 million

leva to 55,000 people in this category. For the moment, the remaining 14,300 who lost their jobs for other reasons can only watch on in silence.

Another alternative for those of our fellow citizens who have lost their jobs is to apply to retrain for other employment. This possibility is provided through the 121 labor exchanges established throughout the country. According to Mr. Angelov, those willing to take this chance are far from numerous (barely 1,500).

Unpleasant though it may be, unemployment is a characteristic feature of the market economy and we must reconcile ourselves to this fact, said Mr. Angelov. "In order to coolly deal with the problem, we must improve the social security system, which should cover all categories of the unemployed."

Dzhurov Resigns From National Security Council

AU1401133991 Sofia NARODNA ARMIYA in Bulgarian 3 Jan 91 p 3

["Report by Army General Dobri Marinov Dzhurov to the Chairman (President) of the Republic of Bulgaria"; place and date not given]

[Text] Dear Mr. Chairman (President):

I request to be relieved from my membership of the National Security Council on the following grounds:

First, I have devoted almost 50 years of my life to the building, developing, and strengthening of the Bulgarian People's Army. This period was extremely difficult and demanding, with its own specific military problems. I am now advanced in years—on 5 January I celebrate my 75th birthday.

During the whole of this period I have devoted myself to this work with the profound conviction that I am fulfilling my patriotic duty to Bulgaria and my people.

Second, I took part in the preparations for 10 November 1989 and the action carried out on that day, and for more than a year now have played my part in the democratization of Bulgaria. I believe that I have made some contribution to the peaceful transition from totalitarianism to the democratic development of Bulgaria.

Major transformations have occurred in our society and in the National Security Council itself.

For all these reasons, I ask to be relieved.

I declare that I leave with feelings of satisfaction that I have fulfilled my patriotic duty to Bulgaria and my people.

Respectfully yours,

Army General Dobri Dzhurov

Zhelev Addresses Officers' Legion Meeting

AU1101214391 Sofia Domestic Service in Bulgarian 2030 GMT 11 Jan 91

[Text] An expanded meeting of the Bulgarian Rakovski Officers' Legion Coordinating Council took place in Sofia today. President of the Republic Doctor Zhelyu Zhelev was invited to attend, accompanied by Valentin Stoyanov, spokesman of the President's Office.

The president pointed out that passing the bill on the land is one of the most important tasks of Bulgarian parliament today. He confirmed once more his view that the question of agrarian reform is not purely an economic issue. It is directly related to our national security, because Bulgaria's future depends on the reform.

On behalf of the officers from the legion's clubs established in garrisons all over the country, the speakers at the meeting raised crucial questions on the difficult social situation of the Bulgarian officers' corps.

Doctor Zhelev, president of the Republic, reassured the participants in the meeting that he is prepared to do everything within his power to satisfy their urgent needs.

He proposed playing the role of mediator in signing a drafted agreement between the legion and the Ministry of National Defense.

Zhelev Supports Return of Land to Owners

AU1101154791 Sofia BTA in English 1455 GMT 11 Jan 91

[Text] Sofia, January 11 (BTA)—President Zhelyu Zhelev thinks the land must be given back to its previous owners, the president's spokesman Mr. Valentin Stoyanov told the press today. He explained that the president's motives for such a stand are in the desire to restore historical justice.

For two weeks now the parliament has been discussing the land bill. It has not yet been put to the vote on first reading.

When President Zhelyu Zhelev expressed his opinion about the ownership on the land at a meeting with citizens of Khaskovo this week, it was greeted with applause.

The president's spokesman also said Dr. Zhelev has discussed the land bill with the Bureau of the Parliament and with representatives of the political forces. Despite the wild debates in parliament, the working groups have already reached common ground. The general opinion is that it is necessary to prevent the land from going into the hands of profiteers and it must not be given to non-Bulgarian citizens. Funds invested in Bulgarian land are amounting to 120-130 billion leva and the land itself is worth about 900 billion.

As regards President Zhelev's visit to Khaskovo on Monday the spokesman also quoted him saying that Bulgaria is striving for integration with the European structures.

Balkan Air Chief Reviews Year of Change

AU1101122191 Sofia OTECHESTVEN VESTNIK in Bulgarian 4 Jan 91 p 2

[Article by Kostadin Botev, general director of the "Balkan" Bulgarian Civil Airlines Company]

[Text] For the "Balkan" Bulgarian Civil Airlines Company, 1990 was a year of radical change. Our cumbersome structure seriously hampered the normal operation of the individual enterprises and services. Accordingly, our "disintegration" into smaller subsidiaries, which started fully independent operations on 1 January, came as a natural consequence. These include Sofia National Airport, the international airports in Varna and Burgas, and the domestic airline routes to Ruse, Plovdiv, Silistra, Vidin, Turgovishte, Gorna Oryakhovitsa, and Stara Zagora. Four separate companies with their own aircraft have also been set up: the "Balkan" National Airline; "Hemus Air"—a second airline; the "Helier" Company for special helicopter services; and "Bul Air Services," for chemical spraying operations in agriculture and forestry. The aircraft repair works in Mikhaylovgrad and the Air Transport Institute in Sofia are also being reorganized as separate divisions. A state organ is also being set up, namely the State Civil Aviation Administration (DAGA) [Durzhavna administratsiya po grazhdanska aviatsiya].

Last year we encountered major difficulties, principally connected with fuel shortages and higher fuel prices. This led to a five to seven percent rise in the world prices for passenger seats and freight. In order to protect its clients' interests, "Balkan" negotiated lower prices on a bilateral basis, which, however, are offered only under prescribed conditions.

Indeed, we can say that, in the final analysis, 1990 was a successful year for us, or rather one that marked a new start: We made a start on structural renewal, a new investment policy, the reconstruction of our aircraft fleet, and so on. All this forms part and parcel of a comprehensive program for our future work. The most important feature of this program is our entry into the world market, a move that contains many unknowns such as volume, tariffs, and prices. The so-called Berlin agreement between the former socialist countries is no longer in operation, and "Balkan" intends to become a member of the European Airlines Association. The association has given us an assurance concerning our membership, but with the major proviso that foreign carriers are granted sales rights in Bulgaria. Thus, our company is preparing to operate under the severe conditions of true competition.

Civic Court Accuses Lukanov; Will Pass Judgment

AU1401133591 Sofia DEMOKRATSIYA in Bulgarian 7 Jan 91 p 1

[Teodora Panayotova report]

[Text] The civic court in Stara Zagora will pass judgment on those responsible for the third national disaster. Defendant No. 1 is Andrey Lukanov, who before 10 November 1989 held so many responsible posts: candidate member of the Politburo, first deputy prime minister, minister of foreign economic relations, and chief of the Foreign Exchange Commission of the National Assembly (that is, chief responsible for the foreign currency debts). After 10 November, he headed two cabinets which finally "upset the cart."

By his actions and inaction Mr. Lukanov most of all promoted the critical situation which the hungry and desperate Bulgarian people now have to face.

The regional civic court set up at the initiative of the Alternative Socialist Party and the "Podkrepa" Labor Confederation, with the assistance of all organizations of the Union of Democratic Forces, will hold its first session in Stara Zagora at 1830 on 7 January.

Source of Computer Virus Reports Interviewed

AU1101123991 Sofia VECHERNI NOVINI in Bulgarian 4 Jan 91 p 1

[Interview with Veselin Bonchev, scientific officer of the Bulgarian Academy of Sciences, by Mariya Boncheva; place and date not given: "Anonymous Traces of 'The Dark Avenger'"]

[Text] The latest sensation in which a "Bulgarian connection" has been persistently implicated during the last few months is the crafty business of virus fabrication. Several Western publications, such as THE EUROPEAN, VIRUS BULLETIN, and THE NEW YORK TIMES, describe Bulgaria as "a dark country," "breeding ground of the most deadly computer viruses in the world," and, even more specifically, "an epidemics factory." However, these epithets relate to the realm of the possible, and are simply hypotheses which can hardly claim to be 100-percent true. Our newspaper published one of these articles about two weeks ago.

In the majority of these reports, the "inside" source of the information is Veselin Bonchev, a young scientific officer in the Bulgarian Academy of Sciences. For this reason, we approached him in person for more details about these charges. We naturally started by asking whether it is easy to determine the etymology of a virus.

"It is undoubtedly difficult," he replied. "However, as far as our own viruses are concerned, the authors take the trouble to record inside the virus the name of its creator, and very often the place where it was created."

[Koleva] Do you exclude the possibility that the location given is arbitrary?

[Bonchev] No, of course not. One might assume that a CIA agent had been specially sent here to maliciously damage our reputation. However, what if the virus is discovered only in Bulgaria and has not spread abroad, or was allegedly transmitted to Bulletin Board Systems in the UK from a Bulgarian telephone, as has indeed been proven...? Or again, what if it contains texts in Bulgarian, some of them even pornographic, which presupposes a high mastery of the language? These are indirect features from which I find out where the virus was created. In some cases, the author himself telephones me and reports about his virus.

[Koleva] Can you give any names?

[Bonchev] I know the names, but the question is whether I should publicize them. Some of those concerned will have no objection. Two virus creators telephoned me from Varna and gave me several of their viruses, hoping that I would write about them in "KOMPYUTUR ZA VAS" ["Computer for You"]. As for one of them, I am ashamed to tell you his name, because he is my friend. I do not know for sure who the notorious "Dark Avenger" is.

[Koleva] Is it possible to accuse you of being an originator?

[Bonchev] I have been asked this question both in the West and in the Soviet Union, but the answer is no. Luckily, the person who created the "Dark Avenger" took the trouble to exonerate me from blame. What is more, he is trying to counter my antivirus programs. There is also another way of checking—just as a writer can be recognized by his style, so a programmer can also be identified.

[Koleva] Nonetheless, what if one assumes that you have reached perfection, so to say the top of the tree, and are declaring war on yourself?

[Bonchev] That, of course, is more than pure speculation.

[Koleva] What do you think are the motives of the virus originators?

[Bonchev] The first virus was composed as an intellectual challenge. Previously, no virus existed which could infect both types of files. Other viruses are spread because of criminal negligence, in the cases where they are made on a computer which five or six other people also use. The people from Varna told me that they do it because it is interesting. The author from Plovdiv told me that he wrote the virus in order to take revenge on his laboratory director, who paid him a ridiculously small amount for his work. I also know the unique case of a student in Pleven who sent the virus on a diskette, giving his name, address, and telephone number as well as complete information.

[Koleva] Do you continue to claim that almost half of the viruses known worldwide are made in Bulgaria?

[Bonchev] I claim that 120 of the 300 known viruses are Bulgarian, but only 10 of them have spread throughout the world.

In conclusion, Engineer Bonchev demonstrated the "Nomenklatura" virus, an example of which he had recently obtained in Hamburg. We saw on the screen the words "Proudly Made in Sofia," as well as a text that would not pass the censor.

We finally reached the most important problem, namely the lack of legislation or, more particularly, provisions in the Penal Code specifically relating to computer crime. In the developed countries laws exist against viruses and for the protection of computer data. As well as considering the great national issues, the Grand National Assembly should devote a little time to this problem, because the very absence of appropriate legislation provides a reason to call our country "a breeding ground for computer viruses."

No More Electric Power Cuts Anticipated

AU1101214091 Sofia Domestic Service in Bulgarian 1830 GMT 11 Jan 91

[Text] No electric power cuts or restrictions are expected within the forthcoming days, at least until Sunday, 13 January 1991. This is because last night additional generator plants went into operation, Todor Tsonev, controller at the Central Control Administration of the Committee for Power Supply stated in his interview with a BTA reporter.

The first and second generators of the First Power Unit at the Kozloduy Nuclear Power Plant have been put on line along with other electric power generators. Each of the two nuclear generators produces 220 megawatts of power.

The milder temperatures are also playing a favorable role in the improved power supply situation.

Afternoon Daily Becomes Morning Paper 8 Jan

AU1101121191 Sofia OTECHESTVEN VESTNIK in Bulgarian 4 Jan 91 p 1

[Editorial: "As of 8 January OTECHESTVEN VESTNIK Will Come Out in the Morning"]

[Text] After almost two decades, dear readers, the "experiment" with our newspaper is coming to an end. It started 20 years ago, when, by decision of the Politburo of the Central Committee of the Bulgarian Communist Party, the newspaper then called OTECHESTVEN FRONT was made an afternoon daily, in order to free the rotary printing press for an increased print run of RABOTNICHESKO DELO. After almost a year of efforts, the chance came to correct this injustice. Our newspaper is changing from a daily that comes out at

midday into a normal morning publication in which you will be able to find information on everything that happened throughout the preceding day.

Until now, OTECHESTVEN VESTNIK was published in a manner that most of the big world newspapers, which are highly professional and equipped with the most modern equipment, do not allow. The editing work on the issue was completed before lunchtime at the latest, so that the latest news we could offer concerned events that took place before 1000 or 1030. Although the citizens of Sofia were at least able to obtain their OTECHESTVEN VESTNIK in the afternoon of the same day, the paper reached our readers in the provinces on the next day, together with all the other newspapers produced 12 hours later. This was not only painful for the editorial collective, but also nullified a large part of our efforts to provide you with an up-to-date, objective, and informative newspaper. Despite our efforts to be as quick and accurate as possible, the newspaper which we offered you was to some extent out of date.

As of 8 January, the newspaper will start to come out in the morning, which will enable us to increase the scope of the topical information and the number of new items. Our newspaper will finally compete on equal terms in the journalistic battle for the readers' attention and interest.

The readers will be the ones who gain from this. In addition to an objective position, varied opinions and commentaries, and impartial political analyses, the newspaper will present the most interesting news from home and abroad.

This gives us grounds to hope that, in addition to its previous loyal readership, the daily will also win new readers.

Correction to Ministry on Evacuating Bulgarians

AU1101144191

The following correction pertains to the item headlined "Ministry on Evacuating Bulgarians From Gulf," published in the 11 January East Europe DAILY REPORT, page 10:

Make subslug read: ...at Ministry of Foreign Affairs in Sofia... (changing word "Interior" to "Foreign")

Havel Comments on Gulf, Lithuanian Events

LD1401151291 Prague Federal 1 Television Network in Czech 1830 GMT 13 Jan 91

[Interview with President Vaclav Havel by Vaclav Vrabec on 13 January; place not given—live or recorded]

[Text] [Vrabec] Mr. President, a short while ago you returned from your health vacation, not exactly to the calmest of times.

[Havel] Yes. I should first of all say two sentences or so about my vacation because I have discovered that there have been various speculations. On doctors' recommendations I have been in Germany at a clinic where I underwent a kind of a rehabilitation treatment. I do not have any serious illness, but I have had a permanent headache and (?a high) level of cholesterol in my blood; in other words: signs of exhaustion, tiredness, and overwork. All these were removed there, and so I am again well and ready to work. In fact, I have already started working. We have held and we will hold talks with ministers about the present international situation, and I am carrying out my usual duties again.

[Vrabec] At present the Civic Forum is still in session. Would you like to say anything about it?

[Havel] I would not like to give my views on it in any great detail before the end of the meeting. However, I would like to say that Civic Forum has not broken up into several parties, which is very good because it is indeed a real guarantee of those great political changes. It has been elected as such and the program which was adopted there is good, I believe. There is a certain differentiation within the Civic Forum which at present is maybe the best thing. Its structure and leadership have strengthened to some extent. However, I would rather leave the final assessment until the session does, in fact, end. It is not imposible that this evening, after the meeting, Minister Klaus [Civic Forum chairman] will call on me and tell me about it.

[Vrabec] People are used to listening on Sundays to our program, "Conversations at Lany." We did not plan one for today, however we are meeting with you, and so our radio listeners will hear you.

I believe that the international situation has become very complicated: there are questions of the Baltic and of the Persian Gulf. Could you tell our radio listeners what you discussed today with your ministers?

[Havel] As far as the conflict in the Persian Gulf is concerned, despite the rather intensive diplomatic activity of the last few days and hours, it unfortunatelly seems likely that the conflict will take place, that it has to take place.

I should perhaps say one thing in this context. Sometimes I receive letters, or it is possible to hear people asking why Czechoslovakia becomes involved in a conflict somewhere far away in Africa [as heard] as if we did not have enough troubles of our own. I would like to oppose such a view.

We have to realize that Saddam Husayn is first of all a bloody dictator who dissolves people in acid and does other things. He is an aggressor who attacked that country and who, if he is not forced to withdraw from that country, can easily attack Saudi Arabia, seizing control of more than half the oil in the world. He can acquire nuclear weapons soon, and he has chemical and biological weapons. He is a man that can threaten not only neighboring countries but in fact the whole world.

It is the duty of all us who want to preserve life on our planet for some more years to resist from the outset such fanatical aggressors. This is also why our unit of volunteers is stationed there, and that is why Czechoslovakia unequivocally backs the Security Council resolutions not only verbally but also with actions.

[Vrabec] Television viewers and radio listeners are interested in the latest developments in the Baltic. Can you say something about this?

[Havel] I am shocked on the one hand by the developments, in fact by the attack, on Lithuania. It is its second Soviet occupation. I am shocked by this on the one hand and outraged as is our public, as is the world public, as are our representatives. As you know, the government has already issued a statement on this, but at the same time I have to say that in a certain sense it does not suprise me completely. Unfortunately, it simply confirms a feeling that I have had for some time now, and I had even hinted this to Mr. Gorbachev in an unobtrusive way during our talks.

For some time now I have had a feeling that Gorbachev is making a fatal mistake, that in a certain sense he does not understand developments, he is unable to evaluate them, and he is limping along behind them instead of being ahead of them. In my view, five years ago he could have made a radical split between the party and the state. Five years ago he could have proposed some kind of union agreement that would have given sovereignty, or a certain measure of sovereignty, to the republics. He could have been ahead of this development. He waits until the last minute when he has no option but to do this to preserve the Soviet Union in some form or other, to do something which is the worst possible thing, something we have lived through ourselves. In my view, this is sinmply a misunderstanding of the situation and it is caused, I am afraid, by the fact that he has not rid himself of some illusions, of some of the communist paradigms.

Let us recall the way he spoke only five years ago. I think it was when he visited the Baltic republics. At the time he was calling the Stalinist occupation a liberation. He really did believe all this. Now he has gone further. He sees that it is all rather different but he still somehow does not understand how it really is. It seems as if he is

still trying to hold on to the impossible. The empire is a huge inorganic conglomerate. In my view there were peaceful ways of making some kind of friendly agreement right through to federative forms and so forth.

But the time when it was all possible has apparently been missed and now there is no option but to occupy the cities of one's own country by tanks, which is very sad. It is a warning, and it could have extremely bad international political consequences. It could destabilize the world situation, especially if it continues. Other republics will possibly be next. It is very sad, and I would like to express myself on this in the near future when we have more information and an analysis of this information. Most probably I would like to write an open letter to President Gorbachev, or something like that. It is impossible to remain indifferent to it.

Kuwaiti Envoy Reports Toll of Iraqi Invasion

LD1501020191 Prague CTK in English 1627 GMT 14 Jan 91

[Text] Prague Jan 14 (CTK)—The chances for peaceful solution of the Persian Gulf situation are decreasing, Kuwaiti Ambassador to Czechoslovakia Musa Sulayman al-Saif [name as received] said today.

Speaking at a press conference he added that the Iraqi Government is to blame for the prevailing tendencies to war as it refuses all U.N. Security Council resolutions and thus bears full responsibility for further development of the situation.

"We blame Saddam Husayn for launching a world-wide crisis. If war breaks out, it will be all his fault", the Kuwaiti ambassador told the press conference held to mark the opening of a photographic exhibition which gives evidence of the consequences of the Iraqi agression against Kuwait.

The Iraqi intervention represents a black stain on the modern history of the whole region. Arab unity and solidarity has been damaged by it, he added. No attempts to postpone the deadline for the Iraqi Army withdrawal from Kuwait should be tolerated.

The Kuwaitis revealed at the press conference that the number of victims of the Iraqi aggression has reached 8,000 and that 21,000 inhabitants are missing. Roughly 50 percent of Kuwaiti citizens are now living on Kuwait's territory. [sentence as received] The ambassador stressed that the aggression meant a gross human rights violation with unprecedented massacres and looting. Journalists were informed about executions of people involved in resistance, who for instance refused to display portraits of Saddam Husayn or gave shelter to foreigners, who recorded the events or shaved their beards which is a sign of mourning in Kuwait. A drastic fact of the aggression is the death of 300 children, some of them new-born babies, taken from incubators and thrown into dustbins alive.

Dismisses Passport Statement

AU1501181191 Prague CTK in English 1855 GMT 9 Jan 91

[Text] Prague Jan 9 (CTK)— The Kuwaiti Embassy in Czechoslovakia has described the assertion of the Iraqi Embassy in Czechoslovakia that a number of people have asked for exchange of Kuwaiti passports for Iraqi ones as "fabrications".

CTK was today informed by the Iraqi Embassy in Czechoslovakia that Iraqi diplomatic missions offer to people holding Kuwaiti passports their exchange for Iraqi ones. According to the Iraqi Embassy a number of people wish to exchange their passports.

The Kuwaiti Embassy told CTK that a number of Iraqi citizens strive for their Iraqi citizenship to be changed for any other on the ground of being targets of oppression, violence, persecution and the threat of being killed by the dictatorial Iraqi regime.

Havel Aide Comments on Warsaw Pact, Civic Forum

LD1501014191 Prague CTK in English 1525 GMT 14 Jan 91

[Text] Prague Jan 14 (CTK)—"If violence escalates any further in the Baltic republics or other areas of the Soviet Union, the possibility (of Czechoslovakia's withdrawal from the Warsaw Pact) will be more likely", according to Czechoslovak President Vaclav Havel's Press Secretary Michael Zantovsky.

"Obviously we are interested in coordinating our policy closely with Hungary and Poland", said Zantovsky at today's regular briefing. He refused to answer the question of whether or not Czechoslovakia would withdraw from the Warsaw Pact regardless of what Poland and Hungary do, labeling it as speculation. A trilateral meeting of the three states will probably take place next week in Hungary, said Zantovsky.

The Czechoslovak president will send a personal message to Soviet President Mikhail Gorbachev at the moment it seems essential and most effective, said Zantovsky. Yesterday in an interview for Czechoslovak TV and radio, President Havel mentioned sending a message.

According to Zantovsky, Czechoslovakia has no reason to fear that the withdrawal of Soviet troops from Czechoslovakia will stop. "We are following the situation", he added.

President Havel accepts the results of this weekend's congress of the Civic Forum [OF], the Czech Republic's largest political movement, but is not yet saying whether or not he will join OF now that it has become a political party, said the president's spokesperson.

"In his message to the congress the president pronounced himself in favour of increased political clarity,

along with the preservation of a certain dimension of plurality within the Civic Forum. As (the Civic Forum) did not split and individual currents of opinion within OF were preserved, the requests for greater clarity are fulfilled and a certain extent of plurality is preserved. In this sense the president accepts the results of the congress", said Zantovsky.

The prince and princess of Wales will visit Czechoslovakia this May, announced the press secretary.

Council of Europe Commission Opens Session

AU1501081591 Prague CTK in English 2200 GMT 10 Jan 91

[Text] Prague Jan 10 (CTK)— The human rights commission of the Council of Europe opened its working session in the building of the Czechoslovak parliament today.

According to commission chairman Pieter Stoffelen it is to help prepare a stand on Czechoslovakia's application for full Council of Europe membership.

Federal Assembly (parliament) Chairman Alexander Dubcek said that the sooner Czechoslovakia establishes economic partnership with individual countries, the shorter and less painful will be its way to the European Community.

Participants in the session included the ministers of justice and interior of Czechoslovakia's two constituent republics, Czech and Slovak. Czech Minister of Justice Leon Richter said that 60 percent of basic changes in top posts in the judicial sphere were carried out in the Republic before the end of October and the process continues. In the last six months 115,000 rulings rehabilitating innocent persons sentenced in the past were made. Slovak Minister of Justice Ladislav Kosta said that out of 70,000 requests for rehabilitation in Slovakia 38,500 have already been granted.

Czech interior minister Tomas Sokol noted that the abolition of the former secret police StB did not yet put an end to its political links since 90 percent of the police force were members of the communist party. Sokol and Slovak Interior Minister Ladislav Pittner made it clear that former StB agents are now trying to obtain economic information which they sell to the West.

They also noted that terrorist commandos run from Iraq have been registered in Czechoslovakia and new forms of crime would be likely in connection with a possible war in the Middle East.

Questions of the functioning of the federation, nationalism, autonomy-seeking movements, the tax system as a source of incomes for the federation and its two regional republics, the status of universities and new concepts of education dominated the afternoon session.

Pieter Stoffelen asked how Czechoslovakia, with its system of a two-part federation, would be represented for instance at the discussions of interior or justice ministers, if two persons would speak on its behalf (there is no federal minister of justice in Czechoslovakia).

Much time was spent by the discussion on the minorities, especially Hungarian and Romany . Members of the commission were also interested in the differences between the Czech and Slovak languages and their use in official contacts.

Chairman of the Romany civic initiative Emil Scuka noted that relations between the Romanies and other citizens have worsened and the Romanies are to blame to some extent. One deputy said that 57 percent of Hungarian elementary schools have ceased to exist and 30 percent of Hungarian children attend Slovak schools. and criticized this situation.

The commission will continue its session tomorrow.

Says Membership Prospects Good

AU1501083991 Prague CTK in English 2124 GMT 11 Jan 91

[Text] Prague January 11 (CTK)— Czechoslovakia's request for membership in the Council of Europe is looked upon without reservation by the Council's Parliamentary Assembly Committee for Legal Issues and Human Rights as unambiguously positive, it was announced at a press conference here today.

The committee is enthusiastic about its decision and is convinced that Czechoslovakia will continue to build a parliamentary democracy corresponding to European standards, said Committee Chairperson Pietr Stofflen and Rapporteur Kerstin Ekman at the conclusion of two days of meetings here.

A final decision on Czechoslovakia's acceptance or rejection ought to be made within a month, following further discussions by the European Parliament, they said.

There are certain comments attached to the commission's evaluation however. Namely, it will be necessary for Czechoslovakia to further develop its legislative process and to sign and ratify the European Convention of Human Rights. This includes recognizing the authority of the European Court of Justice and the right of Czechoslovak citizens to turn to this court.

Stofflen pointed out that even Czechoslovakia's recent approval of a bill of basic rights and freedoms does not complete the process. The lack of a Federal Ministry of Justice was another problem cited as well as the degree of protection of minorities in Czechoslovakia, which was gently criticized by the committee.

Philosophy on Dam Differs from Hungarian View

AU1101125791 Prague CTK in English 2204 GMT 9 Jan 91

[Text] Bratislava Jan 9 (CTK)—Hungary today conveyed to Czechoslovakia a package of findings on the

joint Czechoslovak-Hungarian water project at Gabcikovo-Nagymaros on the Danube, which it had promised to provide before last November 15.

The documents were presented by Hungarian Government Commissioner for the Hydroproject Gyorgy Kiss-Samsondi to his Czechoslovak colleague Dominik Kocinger at their meeting here today.

Kocinger said that there will be not much time for studying the Hungarian material, a scientific analysis of the project and its possible impacts on the environment, because the two countries' government delegations should meet in the nearest future.

He said that the project should be considered in addition to ecological points of view also in the national economic and political contexts.

According to Kocinger, the two sides' philosophies on the project differ, and voiced the view that all its aspects can be resolved within the valid agreement.

Gyoergy Kiss-Samsondi said the Hungarian side will not take into account political aspects, but merely scientific ones.

The project started to be built in 1978. If proceeded as planned, it would have now been in operation for four years. However, Hungary has suspended work several times and in 1989 said it was withdrawing from the project. Czechoslovakia would like to finish the Gabcikovo part because it says this would be less harmful to the environment than if left as it is.

European Parliament Leader Voices Baltic Concern

LD1401003791 Prague CTK in English 1715 GMT 13 Jan 91

[Text] Prague Jan 13 (CTK)—President of the European Parliament Enrique Baron Crespo arrived here today on a three-day visit, at the invitation of Federal Assembly (Czechoslovak parliament) Chairman Alexander Dubcek.

He told CTK after his arrival that the European Community as whole was watching the Soviet development with great concern. The European Parliament has expressed its sympathy with the struggle of the Baltic republics for their identity and free future.

This process must by carried out by talks, talks within the framework of the Soviet Union, in harmony with the charter signed in Paris in November 1990", Baron said.

He expressed his personal concern about the situation in Lithuania. Although information is scarce, it is evident that blood has been spilled and this is not the way to go, the president said.

Baron Crespo is to meet with leading representatives of the federal and regional parliaments and governments. Dubcek noted the importance of the visit as Czechoslovakia has to make legislative adjustments so that its legislative system is compatible with that of Europe.

Many Former StB Agents Reportedly in Parliament

AU1501083391 Prague CTK in English 1036 GMT 10 Jan 91

[Text] Prague Jan 10 (CTK)— Vaclav Benda, a member of the Christian and Democratic Union (KDU) and deputy to the federal parliament, confirmed today that there is a relatively large number of former collaborators with the dismantled "StB" Secret Service in the Federal Parliament's Presidium and its Constitutional and Legal Committees.

Benda, who suggested the vetting of members of legislative bodies and governments in parliament on Tuesday, said in an interview for today's independent "MLADA FRONTA DNES" that the vetting can be conducted very quickly and best by the commission investigating the events of November 17, 1989 which led to the downfall of the communist regime in Czechoslovakia.

Benda said in his opinion the crisis concerning the law on power-sharing between the Federal, Czech and Slovak Government last December had been influenced by this situation as the unexposed "StB" collaborators can still be blackmailed by their former masters and other people as well.

As regards suggesting the vetting in the Federal Assembly (parliament), Benda said that though he uttered his intention to put forward his proposal only less than 24 hours before the parliament's session, he had been exposed to strong backstage pressures to drop his intention.

Parliament Calls For Screening

AU1501083591 Prague CTK in English 2152 GMT 10 Jan 91

[Text] Prague January 10 (CTK)— The Czechoslovak Federal Assembly is calling for "a speedy and thorough investigation" of the background of every deputy in the Federal Assembly, all federal ministers and their deputies, the staff of the Office of the Federal Assembly and personnel from the Office of the Presidium of the Czechoslovak Federal Government.

"The Federal Assembly considers it unacceptable for people who have cooperated with the StB (secret police) to remain any longer in the top organs of the state", says the resolution passed here this evening by the deputies of the Federal Assembly. The resolution also recommends to President Vaclav Havel that he allow a similar investigation of his staff in the Office of the President.

In addition to calling for all StB collaborators to step down from their positions, the resolution charges the parliamentary commission investigating the events of

November 17, 1989 with checking which deputies are registered as secret police collaborators and in what category. Those who are identified as collaborators will be notified and will be given 15 days to resign from their positions voluntarily. If they choose not to step down, their names will be made public.

The resolution also appeals to the federal government to facilitate the same process in the governmental bodies of both republics, provided there is interest, and requests the assembly's legislative committees to draft a bill defining the functions and positions for which former StB collaborators will not be eligible.

OF, VPN Meet To Comment

AU1501082791 Prague CTK in English 1708 GMT 10 Jan 91

[Text] Prague Jan 10 (CTK) — Civic Forum (OF) and Public Against Violence (VPN) representatives agreed here today that holding a post in legislative, executive and legal bodies and active cooperation with the former "StB" secret service are incompatible.

The OF and VPN representatives, who met to voice their stand on the problem of screening, said that legislative bodies should take legal measure to ensure the correctness of screening without inciting social tension.

The problem of screening has been raised again recently in connection with Czech Minister of the Environment Bedrich Moldan who is suspected of cooperating with StB. His case is currently under investigation.

Klaus, Carnogursky Disagree on Tax on Periodicals

AU1101132791

[Editorial Report] Bratislava PRAVDA in Slovak on 5 January on page 3 carries a 350-word CTK report entitled "Black Future of the Periodical Press." The report deals with a "consultative meeting of all chief editors of [Slovak] dailies and periodicals affected by the 80- to 90-percent increase in the price of newsprint by the Steti Paper Works, the monopoly producer of newsprint, as of 1 January 1991." The meeting was held in Bratislava on 4 January. Financial problems of the Slovak print media are also the subject of correspondents' reports in Bratislava SMENA and Bratislava VEREJNOST in Slovak on 5 January.

According to the Bratislava PRAVDA report, the meeting of Slovak newspaper publishers issued the call for a "differentiated tax" on the periodical press. It protested against the uniform 22-percent tax proposed by the Federal Ministry of Finance because "it discriminates against Slovak dailies and weeklies, which would not have a chance to survive under these conditions." The Slovak publishers voiced their concern about the impact of the tax on "press pluralism" as only newspapers that were able to "accumulate capital in the past" would be able to avoid bankruptcy.

Bratislava SMENA in Slovak on 5 January on pages 1 and 2 carries a 1,000-word Tibor Bucha report entitled "International Marathon of Consensus." The report notes that representatives of the Slovak Syndicate of Journalists met with Jan Carnogursky, first deputy prime minister of the Slovak Republic, and Vaclav Klaus, federal minister of finance, in Bratislava on 4 January to discuss financial problems of the print media. According to the report, Vaclav Klaus "insisted on a uniform tax" on the periodical press while allowing for the possibility of subsidies for the press of national minorities. He argued that it is up to newspaper buyers to decide which newspapers will survive and which will not: "Not all new dailies need to survive. Even in the United States 72 out of 100 newly founded companies go bust," he said.

Jan Carnogursky, on the other hand, reportedly opposed uniform economic conditions. He argued that if the same economic rules were applied in the Czech Republic and in Slovakia, "the Czech press would find it easier to survive than press in Slovakia" because of the much larger newspaper market in the Czech Republic. He declared that a "political solution in Slovakia" is required to deal with the financial problems of Slovak newspapers and that "the Slovak Republic government will deal with this issue." At the same time Carnogursky expressed understanding for the stand of Vaclav Klaus: "Mr. Klaus is the minister of finance and that is how he looks at this problem. He is under no obligation, and does not even have the right, to consider other aspects such as the national principle. These must, however, be considered by the federal government."

Bratislava VEREJNOST in Slovak on 5 January on page 2 carries a 300-word "ej"-signed report on the Bratislava meeting of Slovak newspaper publishers entitled "Newsprint and Tax Catastrophe." The report stresses that the situation is grave and that "an all-Slovak strike is being considered quite seriously."

Finance Council Holds Bratislava Session

AU1401140191 Bratislava NARODNA OBRODA in Slovak 5 Jan 91 pp 1,2

[Igor Zvach report: "As Quickly as Possible Toward the Market Mechanism"]

[Text] Bratislava—The CSFR Government Finance Council held a meeting in Bratislava yesterday which started early in the morning. Representatives from the CSFR Finance Ministry headed by Finance Minister Vaclav Klaus—who, apart from his deputies, was also accompanied by Josef Tosovsky, chairman of the Czechoslovak State Bank—met here with their Slovak partners represented by Slovak Finance Minister Michal Kovac, his deputies, and other representatives from Slovak financial circles.

There were originally four important points on the meeting's agenda: the Federal Finance Ministry's activity in the prices sphere, coordinating budget policy

in 1991 from the point of view of adhering to the conditions for the provision of IMF stabilizing loans, an analysis of insolvency, and the plan for the development of the CSFR finance sector. At the very beginning of their meeting the participants agreed to expand this already comprehensive program to include other issues—a proposal to utilize former economic facilities belonging to the Communist Party of Czechoslovakia, a report on the current situation in and the course of small-scale privatization, the taxation system, and the principles for large-scale privatization.

The first point on the agenda, the Federal Finance Ministry's activity in the prices sphere, turned out to be rather a contentious issue and the discussions about this dragged on until the afternoon. The other points on the agenda were discussed later and the expected news conference was postponed until late in the evening. From the contentious reports which we managed to acquire—the Finance Council's sessions are absolutely closed to journalists—it is apparent that the most serious issues involved in the talks on price regulation are the differing views expressed by the Slovak and Federal Governments on which products should be included in the list of regulated prices. For example, metallurgical products from the East Slovak Iron Works are included on the list, while the Favorit motor car is not included as a finished product.

However, as Slovak Finance Minister Michal Kovac informed journalists at a relatively late press briefing, a joint list of products with regulated prices was eventually drafted. As the Finance Council also managed to discuss issues connected with enterprises' insolvency—which has still not reached the 1987 level when, according to Minister Klaus, more cases occurred—before the news conference was held, the issue of bankruptcies involving certain enterprises was raised. An agreement was reached, therefore, that this issue (bankruptcy) will have to be dealt with legislatively as soon as possible. Minister Klaus' replies to several other questions posed by NARODNA OBRODA were also interesting. Apropos the expected level of inflation, he stated that—in his opinion—it should not exceed 30 percent. The minister was equally optimistic about the level of social acceptability for the decline in living standards. According to the minister, we may assume that the decline in real income will not exceed a limit of 10 percent.

The meeting continued after this short press briefing.

CSS Holds Last Pre-Congress Plenum

AU1401153991 Prague SVOBODNE SLOVO in Czech 5 Jan 91 p 1

["sch"-signed report: "Congress in a Week"]

[Excerpts] Prague— The Czechoslovak Socialist Party [CSS] has not fallen apart. After the National Social Party broke apart from the CSS, only about 1,500 members have left the party, Professor M. Adam, CSS acting deputy chairman, said at yesterday's session of the CSS Central Committee. It was the last CSS Central Committee session before the 25th CSS Congress, which will meet at Sec near Chrudim on 12 and 13 January.

M. Adam summed up the results of party activities in the preceding six months and described the results of local elections as positive. He mentioned that relations between the CSS and the MELANTRICH publishing house have been normalized [upraveny], as have relations within the SVOBODNE SLOVO editorial staff. SVOBODNE SLOVO will get a new chief editor, Cestmir Kubik, who has been charged, according to Professor Adam, with raising the editorial staff to a high professional standard. [passage omitted] Professor Adam also provided information on negotiations with the French side on investments in the modernization of SVOBODNE SLOVO and other party publications.

Those present were then informed about the outcome of a survey on the party's name. Of the 3,873 CSS members who delivered their opinion on the name of the party, 640 were in favor of retaining its current name, 858 wanted the name to change to Czechoslovak National Socialist Party, and 757 to Czechoslovak National Social Party. A number of other names were also proposed. In spite of this, the CSS Presidium recommended that the party's name not be changed, in view of ties with European socialist parties, particularly those in France, Spain, Portugal, and Italy, which are guided by similar political principles. This question will be considered by the congress.

Information was also provided on the CSS's results in local elections, in which the party won 3.54 percent of votes and about 1,100 seats (including seats won by CSS members who ran as independent candidates). A total of 50 CSS members were elected as mayors and several dozen are deputy mayors. [passage omitted]

Following an extensive debate, the participants in the session adopted a resolution in which they approved C. Kubik's appointment to the post of SVOBODNE SLOVO chief editor, among other things. The Central Committee also asked the CSS Presidium to request an explanation of reports on the operation "Wedge," involving alleged cooperation of some party members with the State Security Corps, and its bearing on the CSS.

Congress Ends, Chairman Elected

LD1401002891 Prague Domestic Service in Czech 1500 GMT 13 Jan 91

[Text] The two-day 25th congress of the Czechoslovak Socialist Party ended in Sec near Chrudim today. Delegates highly appreciated the final resolution on the current internal political and economic situation, in which the Czechoslovak Socialist Party endorsed ideas of democracy, humanism, and liberal socialism, whose present representatives in Europe are the Socialist Parties of France and Italy.

Delegates spent several hours discussing and voting on the new text of the statutes and manifesto's principles which, together with suggestions made at the congress, will be worked out by central bodies. They also elected new central bodies. Deputy to the Czech Finance Minister Ladislav Dvorak was elected the new chairman of the Czechoslovak Socialist Party.

Government Rebuked for Phasing Out Arms Industry

AU1401164391 Bratislava NARODNA OBRODA in Slovak 7 Jan 91 p 13

[Article by Herbert Durkovic, former general director of the Martin Heavy Engineering Works: "We Have Broken Up the Most Successful Czechoslovak Engineering Complex; Myths About the Martin Heavy Engineering Works and the Reality"—reprinted from issue No. 1 of the weekly SLOBODNY PIATOK]

[Excerpts] I was the first general director of the Martin Heavy Engineering Works [ZTS], the man who was charged with organizing this economic unit 25 years ago. I considered, and still consider, the founding of ZTS Martin as an immensely important act in the history of Slovak industry in general, an act which has not been duly appreciated to this day. It has been the most successful entrepreneurial complex in the entire Czechoslovak engineering industry, evidence for which can be furnished by analytical facts.

ZTS Martin comprised 23 organizations, 12 of which were enterprises, 7 research and development institutes, 1 technology and rationalization institute, and the rest special-purpose organizations. Apart from this, the Martimex export-import organization was set up at Martin. ZTS Martin had 85,000 employees and an annual production volume of 30 billion korunas (about $2 billion), of which exports accounted for 16 billion ($1.1 billion). Annual profits were around 6 billion korunas and the terms of trade were high above the Czechoslovak average as regards exports to both the east and the west. [passage omitted]

A Dilettantish Decision

The unusually favorable development of the international political situation in the late eighties found its expression in a fundamental reduction of arms production. This fact has also had a severe impact on this organization. Nevertheless, even with limited arms production, ZTS Martin availed itself of basic prerequisites for gradually bridging this period with active help from the state and by making use of its own research and development capacities. The new political leadership has, however, come up with the incomprehensible categorical decision to completely halt arms production in our country. This radical decision cannot be explained and justified by anything. Irrespective of the motives which prompted the decision to halt arms production, I dare say that this was one of the most dilettantish decisions ever made in this country, one which has enormous socioeconomic impact not only on individuals but on society at large. This was not all, however. Shortly thereafter, in mid-1990, the decision to break up the ZTS Martin economic production unit—an organization that was literally the pride of Czechoslovak engineering and of Slovak engineering in particular—made the consequences of the first decision even worse. [passage omitted]

It is completely illusory to believe that our nonparticipation in the production and exports of heavy arms technology is of any significance from the viewpoint of reducing arms production and lessening tension in the world. [passage omitted]

Some recent statements by our supreme economic representatives (such as Vales, Klaus, Kucerak) are also highly dubious and I do not know how one is supposed to understand them. One of them claims in an interview that arms factories were operating at a loss, another one is trying to persuade the public that arms production was inefficient, that inflationary wages were being paid for it, that there is no market for weapons, etc. What is the purpose of such claims, which rely on the public's ignorance? [passage omitted]

Here are some data on the economic advantageousness of this technology, data which contradict official claims. ZTS Martin, for instance, scored the following results in the past. In the years 1975 to 1988 arms technology accounted for 50 percent of the total production volume and in some enterprises, such as ZTS Dubnica nad Vahom, for up to 75 percent of the production volume. Exports of arms technology totalled 78 billion korunas in this period, of which exports to the so-called nonsocialist countries represented 24 billion korunas. Total profit generated in this period amounted to 46.5 billion korunas and profit from the production of arms technology alone to 24.5 billion korunas. Between 1975 and 1988 ZTS Martin organizations surrendered 34 billion korunas of their profits to the state budget.

Trade Unions Criticize Government Reform Schedule

AU1101112691 Prague CTK in English 1454 GMT 9 Jan 91

[Text] Prague Jan 9 (CTK)—Today, Roman Kovac, president of the Czechoslovak Confederation of Trade Unions, said that the January 1 liberalization of prices preceded the economic reform, making possible the uncontrollable behaviour of commercial organizations and producers.

He told a news conference here that the deregulation of prices "had not been prepared from the viewpoint of the market" and that it resulted in a rapid increase in living costs. Lists of products with regulated prices do not include some kinds of essential food. The increased prices of food go far beyond the purchasing power of a substantial part of the population and affect mainly

families with children dependent on one income and low-income strata. Kovac said that the trade union confederation, associating 60 unions with 6.5 million members, will ask the federal government to acquaint the public with the economic and social situation in the state.

Journalists were acquainted with a stand of the Czechoslovak Confederation of Trade Unions General Council Presidium according to which the Czechoslovak Government does not act in harmony with the timetable of the economic reform. The price liberalization has been started and privatization almost does not exist. There is still the monopoly of producers and commercial organizations in consequence of which there are no prerequisites for limiting the drastic price increases.

Further on Trade Unions' Views

AU1301182191

[Editorial Report] Prague MLADA FRONTA DNES in Czech on 4 January on page 3 carries a 1,300-word interview with Roman Kovac, president of the Czech and Slovak Confederation of Trade Unions, by Zdenek John entitled "Will They Agree?" The interview, the place and date of which are not given, deals with the trade unions' attitude to the economic reform. A 1,700-word undated interview with Roman Kovac is published also by Bratislava PRAVDA in Slovak on 8 January on pages 1 and 5, under the headline "We Are at the Threshold of Our Own Maturity."

In both interviews Kovac rejects charges that the trade unions oppose the economic reform, but he criticizes the reform for what he regards as its "absence of a social dimension." It is particularly the Federal Ministry of Finance, he says in the MLADA FRONTA DNES interview, which "pushes through in a very hard and unscrupulous way its concept of economic reform. As this concept lacks any social dimension, it is unacceptable to us." According to Kovac, this makes the finance ministry the trade unions' "greatest enemy" in the talks within the Council of Economic and Social Accord.

Asked whether the trade unions would be ready to conclude an agreement with the government in which they would commit themselves to refrain from strikes, in the interest of the reform's success, Kovac replies: "The prerequisite for us accepting such a move would be observance of the social network prepared by the Federal Ministry of Labor and Social Network, which—and I am stressing this—is a minimal network. It must not happen that the Ministry of Labor and Social Affairs proposes a sum of 16 billion korunas for the solution of the problem of unemployment, on the basis of its own exact calculations based on the forecast that there will be 700,000 unemployed in our country in 1991, and another ministry slashes this figure to only 6 billion."

In the MLADA FRONTA DNES interview, Kovac also criticizes the government for the "complete lack of an active employment policy" and for the liberalization of prices introduced at the beginning of this year. Because "there exists no market" in Czechoslovakia, he says, price liberalization is bound to lead to "drastic price increases" and prices might "get completely out of control."

In the Bratislava PRAVDA interview, Kovac voices the fear that, if the economic reform ignores the social aspect, "it will bring our country to the level of a banana republic" and "return the country to 19th century-style capitalism." He says that it is in the interest of the government to consult the reform with the trade unions "because it is only in cooperation with the trade unions that its implementation will be possible."

In another part of the interview, Kovac dismisses the "accusation of bolshevism" which has been leveled at the trade unions by Minister Klaus. He says: "I regard this accusation as a propaganda slogan; it evidently was not raised by coincidence. In this context I would like to draw attention to President Vaclav Havel's statement that whenever today someone expresses a view on the economic reform which differs from the views of its leading representatives, he is immediately labeled as a crypto-communist."

Speaking about developments this year, Kovac says that he expects "two peaks of social tension to arise" in 1991. The first at the beginning of summer when prices are expected to reach their highest level and the second by the end of the year when the rate of unemployment peaks.

Latest Population Figures Released

AU1101005991 Prague LIDOVE NOVINY in Czech 5 Jan 91 p 3

[Text] The natural growth of Czechoslovakia's population declined last year, owing to a decline in the birth rate and a slight increase in the death rate. Almost the entire increase in the population was concentrated in the Slovak Republic. The population of the CSFR reached 15,671,000 in 1990, of which the Czech Republic accounts for 10,366,000 and the Slovak Republic for 5,305,000.

Klaus Allegedly Asked To Resign From OF Post

AU1501081991 Prague CTK in English 1801 GMT 10 Jan 91

[Text] Prague Jan 10 (CTK)— Vaclav Klaus was asked yesterday to resign as chairman of the Civic Forum [OF], Civic Forum Representative Dagmar Havlova said today.

She said the call had been made at a meeting of signatories of the Charter 77 Human Rights Document and Civic Forum founders in Prague's Cinoherni Klub Theater where the Civic Forum had been founded in November 1989. Klaus did not answer, Havlova said. In her own opinion, the election of someone else as Civic Forum chairman is not realistic.

Havlova is convinced that one of the reasons why the Civic Forum has lost its ability to act is that the chairman, who is also finance minister, has two important posts and does not have time for political work in the Civic Forum. He cannot work in the Civic Forum Coordinating Center.

However, the Civic Forum is not functional and does not have the strength to change the state of affairs, Havlova said.

She was speaking at a press conference with members of the Transnational Radical Party, the Czech branch of an international party which ran on the Civic Forum list in the 1990 parliamentary elections. Its members decided for politically motivated fasting to demonstrate their call for dialogue in the Civic Forum.

Klaus Comments on OF Future

AU1501083791 Prague CTK in English 2032 GMT 11 Jan 91

[Text] Prague Jan 11 (CTK)— Latest developments within the Civic Forum movement are heading towards preservation of Civic Forum [OF] in its present form rather than towards its splitting or disintegration, Civic Forum chairman Vaclav Klaus said at a regular Civic Forum press conference here today.

This positive process in the movement over the past days is at sharp variance with the assessment of the development within Civic Forum by the mass media, Klaus added.

The Civic Forum, the most influential force in the Czech Republic, which came into being during the November 1989 revolution as a broad platform of various streams of opinion ranging from right to left, will hold a crucial congress here tomorrow. The main issue it will tackle is whether it will split into parties, two or more, or whether it will preserve its difficult unity while different streams continue to exist in it.

Klaus holds the view that the Civic Forum will introduce individual exclusive membership, i.e., it will be possible for no member of a political party or movement to be an Civic Forum member as was the practice thus far.

Members of the small parties still listed under the Civic Forum will be free to decide whether they want to join the Civic Forum or remain in their party. Members of deputies' clubs will remain members of the Civic Forum, Klaus said.

The Civic Forum chairman also spoke about the necessity to introduce an identification card and membership fees since Civic Forum will undoubtedly need financial means.

Klaus expects that the Civic Forum Council will remain the supreme body between two congresses. The ten district representatives form the core of the future Civic Forum structure. In addition, represented on the council will be the two parliamentary clubs (the Interparliamentary Club of the Democratic Right and the Liberal Club each will have three representatives). The council will also include the Civic Forum chairman, director of the Civic Forum Coordinating Center, and one or two deputy chairmen.

According to Klaus, the two clubs are parliamentary ones and there is no reason for their existence to liquidate Civic Forum unity.

Speaking about Civic Forum relations with its sister movement in Slovakia, the Public Against Violence, Klaus said they are as positive as in the past.

Commenting on the report according to which Civic Forum representative Dasa Havlova said that Vaclav Klaus was asked at yesterday's meeting of signatories of the Charter 77 Human Rights Document and Civic Forum founders to resign as chairman of the Civic Forum, Klaus said that this assertion "is entirely absurd". Also because the meeting was no proper opportunity for raising such a demand.

Dasa Havlova said in this connection that in reply to a question whether Klaus' replacement is not being considered or spoken about behind the scenes, put to her at a press conference with members of the Transnational Radical Party yesterday, she answered in the negative, but added that the call for Klaus' resignation was made at the Charter 77 and Civic Forum meeting.

Composition of Delegates to Civic Forum Assembly

AU1401154991 Prague LIDOVE NOVINY in Czech 5 Jan 91 pp 1,2

["jas"-signed report: "Uncertain Prospects; Civic Forum Briefing: Vaclav Vales on Economic Relations With the USSR"]

[Excerpts] Yesterday's regular Civic Forum [OF] briefing was dominated by information imparted by Vaclav Vales, member of the OF Collegium and deputy federal prime minister, on Czechoslovakia's economic relations with the Soviet Union. [passage omitted]

Vojtech Sedlacek, head of the OF Coordinating Center, briefed journalists about the composition of delegates to the January OF Assembly. A total of 112 delegates were elected in districts, deputies to the Federal Assembly and the Czech National Council will be represented by 32 delegates, the OF Council by 14 delegates, the OF Collegium by 10 delegates, political parties [operating under the OF umbrella] by 7, and the student parliament by 2 delegates.

Political Parties Criticize Government Policy

AU1501082991 Prague CTK in English 1528 GMT 10 Jan 91

[Text] Prague Jan 10 (CTK) — Seven small Czech political parties of which only one is represented in legislative bodies today issued a statement sharply criticizing the policy of the Czechoslovak government and its most influential political force, the Civic Forum movement.

The statement is signed by the Czechoslovak Socialist Party, the Czechoslovak Agrarian Party, the Self-Government Democracy Movement, Society for Moravia and Silesia (represented in Czechoslovak parliament, the Czech Government and the Czech National Council, i.e.. National Parliament), the Farmers' Movement, the Green Party, the Obroda (revival) Club and the Czechoslovak Social Democratic Party.

The parties say that "growing unemployment and anxiety not only about maintenance of the standard of living, but in many cases also about jobs and social certainties are no reason for optimism. The rate of inflation that only economic ministers of the federal government can seriously call acceptable is no reason for calm. Tens of thousands of jobless who already receive unemployment benefits and many more of those who do not take them as yet are no arguments for confidence in the government".

The Civic Forum which won a sliding victory in the parliamentary elections last June, coining the slogan that "parties are there for party members, Civic Forum for all" is being disintegrated into several political parties.

"The most militant of these future parties, a right-wing group of Civic Forum Chairman and Czechoslovak Finance Minister Vaclav Klaus, has started its transformation into a political party by expelling those who have become inconvenient," the statement said. (The Civic Forum will hold a congress here January 12-13 at which it is expected to be remade into a right-wing party. It came into being in the wake of the November 1989 revolution as a broad movement of democratically minded people. At a congress last December, Klaus proposed abolishment of collective membership by which some groupings, mostly left-orientated ones, were removed from Civic Forum.)

Chairman of the Czechoslovak Social Democratic Party Jiri Horak said at the press conference that "our objections are often directed not against what the government does, but against the way it does it which is true especially of economic reform" (launched January 1). According to him reform of the system of taxation should have preceded all other economic laws. Horak also voiced the view that "privatization has never been the goal, but means of implementation of the reform".

He also spoke about trade unions and said "we are opposed to trade unions being pushed to a role in which some political opponents would like to see them".

Commentary Suggests Possible Split in VPN Ranks

AU1401154191 Bratislava NARODNA OBRODA in Slovak 5 Jan 91 p 3

[Igor Cibula commentary: "Who Will Cross Swords?"]

[Text] At first glance it could seem to an impartial observer of the Slovak political scene that while the process of differentiation within the Civic Forum is gathering pace in Prague, provincial conditions still prevail below Bratislava Castle. This apparent idyll conceals background lobbying where similar processes are taking place and where potential opponents are preparing to cross swords to blaze a trail toward their concept for the course of action to be taken in dealing with topical Slovak problems.

The Christian Democratic Movement [KDH] creates the most stable impression. It consolidated its self-confidence in the local elections and is purposefully adopting a position from where it can make another drive toward expanding its influence. It is possible to agree with the opinion of Jan Carnogursky, the Christian Democrats' leader, that his movement has learned from the outcome of the June parliamentary elections and that KDH activists confronted their political opponents' assault by intensifying their endeavors in the field. They were supported by an agile center where a systematic effort is continuing to be made to strengthen and expand contacts within an international framework.

The Public Against Violence [VPN] movement presents a different picture of itself. Most of the bewilderment among its voters is caused by the fact that the most senior VPN representatives are not too well disposed toward the efforts being made to subject some of the movement's shortcomings to public criticism. They prefer to appear before the public with pronouncements—which are meant to be convincing—that the VPN's position as the absolute leader of social dynamism remains the same as during the period of its greatest glory.

Politicians nominated for government or parliamentary posts on the VPN list are managing to maintain their social authority. However, this movement's original leaders are retaining less public authority. It seems paradoxical to the rank and file citizen that the most senior representative of the most important political force in Slovakia is not one and the same person as the prime minister of the republican government. The above-mentioned situation would seem a little curious if we did not take into consideration the fact that the position of neither representative is strengthened by this; however, it contributes very little to the VPN.

In this context, a certain truth has to be attached to the words of Prime Minister Vladimir Meciar who recently spoke about the lack of profile within our political system. From his remarks about the uneven policy for creating a profile among the individual political forces in

Slovakia, it is possible to deduce that in the current internal political situation, Meciar is orienting himself differently than some representatives of the VPN Coordinating Center. At the same time, this does not only involve him specifically, it also involves certain politicians who in last year's parliamentary elections also won the voters' support for other candidates advocating a "Chance for Slovakia."

Proposed Rights Charter Perceived as Anti-Slovak

AU1101130291 Bratislava NARODNA OBRODA in Slovak 5 Jan 91 p 3

[Jergus Ferko commentary: "The Charter and Its False Card"—reprinted from the 4 January issue of the Slovak trade union daily PRACA]

[Text] The federal constitutional law on basic rights and freedoms, the so-called Charter of Human Rights and Freedoms, is currently being drafted in great haste.

The charters we know from history always comprised a catalogue of principles which were then given a concrete shape in follow-up laws. Let us look at some of the "principles" of this Charter. Chapter 3, Article 24, Section 2 reads: "Citizens belonging to national minorities and other ethnic groups have a guaranteed
a) right to education in their own language,
b) right to use their language in dealings with the authorities under conditions set by law."

Here the draft evidently went beyond the framework of principles. National minorities and ethnic groups (including Romanies, for instance) would be able to demand a complete system of education, including university education, and official communication in their mother tongue would become "a matter of course." Small Slovakia would be transformed into a linguistic Babel (the [Slovak] language law is already successfully contributing to this) and a complete chaos would ensue. At the same time the draft of the charter makes no mention of the national rights of the state-forming nation. The sentence that "the implementation of the rights of members of national minorities and other ethnic groups must not be to the detriment of the rights of other citizens" is a very weak palliative for this legal defect. It is nice of the legislators that they thought at least in this casual way of "other citizens," i.e. of the majority.

Should the Slovak National Council adopt the charter as it has been drafted, it will also block the way, with legislative perfection, to a possible amendment of the "wise and tolerant" language law which it had itself adopted, under circumstances which are known. But no one has as yet managed to build a sensible future out of foolish solutions.

Slovak Official Says Tatras Not Sold to U.S.

AU1501081791 Prague CTK in English 1807 GMT 10 Jan 91

[Text] Bratislava Jan 10 (CTK)— The Slovak deputy prime minister's adviser Jan Bajanek told newsmen here today that the Slovak government "did not sell" the high Tatras to the U.S. Tatra Mountains Corporation (TMC).

He responded to the accusations of environmentalists that the Slovak government had concluded an ecologically and economically disadvantageous agreement for Slovakia and offered Czechoslovakia's highest mountain-range to Americans in exchange for the realization of recreation projects there.

Bajanek said that only talks on "a preliminary plan of TMC activity" had been discussed. He pointed to a letter of TMC Vice-President Steve Lewis who rejected the accusation that the high Tatras had been sold. He stressed that the American side would not take any steps ignoring Slovak environmental laws.

Lewis also appreciated the Slovak government's intention to create prerequisites for foreign partners to establish joint ventures in Slovakia.

Violent Acts in Lithuania Prompt Reactions

National Assembly Issues Statement

LD1401235591 Budapest Domestic Service in Hungarian 1619 GMT 14 Jan 91

[Speech by National Assembly Deputy Istvan Szent-Ivanyi at the National Assembly session in Budapest—live; Istvan speaks on behalf of the National Assembly Foreign Affairs Committee]

[Text] The National Assembly of the Hungarian Republic expresses its deepest anxiety in connection with the tragic events in Vilnius. It considers the military action claiming the lives of innocent people unacceptable and most resolutely condemns the use of violence, the consequences of which also endanger international security and cooperation.

It demands immediate cessation of the violent actions and the withdrawal of the units of the Soviet Armed Forces without delay. It expresses its solidarity with the Lithuanian people and assures the legally elected state bodies of its support. The National Assembly of the Hungarian Republic repeatedly confirms its position that the right of the Lithuanian people to autonomy has to be ensured. It recalls its decree of 3 May 1990, which declared that it considers unacceptable the use of enforcement measures and all steps which prevent the enforcement of the Lithuanian people's right of autonomy.

The historical experiences, the lessons of 1956 and 1968, also prove that such problems cannot be settled by violent means.

The Hungarian National Assembly appeals to the USSR Congress of People's Deputies to do everything in the interest of ending the armed intervention and finding a political settlement of the conflict through negotiation. The National Assembly asks the Government of the Hungarian Republic to facilitate the peaceful settlement of the crisis by further diplomatic efforts, the enforcement of the autonomy of Lithuania, and together with the Hungarian social organizations, to give humanitarian aid to the people of Lithuania.

Condemns Actions, Expresses Sympathy

LD1501002891 Budapest MTI in English 1858 GMT 14 Jan 91

[Text] Budapest, January 14 (MTI)—The first extraordinary session of the Hungarian parliament in 1991 opened on Monday.

The Hungarian public is following Lithuanian events with deep shock and sympathy. Several MPs requested parliament to release a statement on the issue, speaker Gyorgy Szabad said at the beginning of the session.

Prime Minister Jozsef Antall on behalf of the government said: Hungary sympathizes with the Lithuanian people, with a small nation similar to Hungary, which is fighting for its freedom and independence.

We wish to express solidarity with the Lithuanian people and we are of the opinion that solutions to the problems can only be found in a peaceful way, through negotiations, Antall stressed.

He spoke about the steps taken by the government so far and of the aid to be extended through the Red Cross, adding that the Hungarian Government is working in co-operation with Poland and Czechoslovakia to reach a common standpoint in connection with the events in Lithuania.

Foreign Minister Geza Jeszenszky added, that there has been a worldwide protest through which events could perhaps take a favourable turn.

In the evening parliament accepted the statement of the foreign affairs committee, which says:

The Hungarian parliament condemns violence and military intervention leading to loss of innocent lives. Hungary demands an end to violence and the withdrawal of Soviet troops from Lithuania.

It expresses solidarity with the Lithuanian people and assures the legally elected state bodies of Lithuania of its support.

Before the scheduled discussion, Janos Palotas, an Hungarian Democratic Forum (HDF) [MDF] MP addressed the assembly, arguing for the organization of the Budapest-Vienna World Expo. He suggested that parliament make a decision within a month because delays may lead to the loss of thousands of millions worth of income for the country.

After this address, the assembly started the discussion on amendments to the social security bill.

In his introductory speech, Laszlo Surjan, minister of welfare spoke about the two variants of the social security bill and the other two issues to be discussed: the planned increases in pensions and family allowances.

Speaking about pensions, the minister said there were three variants. In the first, the extent of the increase would be determined by social factors. In the second, the decisive factor would be the number of years spent in employment and in the third variant, the two previous factors are interwoven.

As regards family allowances, the minister said the proposal is differentiated according to the number of children in one family.

In the event that parliament accepts the amendment to the social security bill, the principle of the so-called, partial pension, will take effect. This means that pensions of reduced amounts can be granted for those having worked for more than 10 but less than 20 years.

The discussion is to continue on Tuesday.

Antall Views Events 'With Shock'

LD1501002491 Budapest Domestic Service in Hungarian 1214 GMT 14 Jan 91

["Text" of statement by Prime Minister Jozsef Antall to the National Assembly session in Budapest—live]

[Text] Mr. Speaker, esteemed House: On behalf of the government, I wish to make the following statement, which is linked to the provision of information, alongside the concern and words of condemnation already voiced by Mr. Speaker.

After the 1989 revolutions, which, for the most part, were peaceful, the changes that took place in eastern and central Europe provided an unprecedented opportunity on the road to accomplishing democratization and European cooperation. An outstanding event of this process was the Paris summit conference on European Security and Cooperation, where every participant committed himself to protecting human rights, to the establishment of democracy.

We view with shock and concern the most recent events in the Baltics, in Lithuania. We sympathize with the Lithuanian people, because a small nation similar to ours is conducting a heroic struggle for its freedom and independence, for the realization of its national self-determination.

We have said several times that it is necessary to seek a peaceful solution to every kind of conflict. At the CSCE summit in Paris, I expressed the hope, on behalf of the Hungarian Government and of Hungary, that after the elimination of confrontation in Europe—I am quoting the final words I said at the summit meeting—there will be no country where offended soldiers engage in political adventures, and who, with power-policy ambitions, try to obstruct the establishment of democracy. Such attempts do not constitute a solution even to the gravest economic and social tensions. So much for the quote from the speech delivered at the Paris summit.

Tragically, what was said then appears to be timely. For this reason, international public opinion—that of Hungary, too—can only expect the Soviet Union to meet its obligations undertaken at the Paris CSCE summit. The significance of the Soviet intervention in the Baltics for this reason, too, extends beyond the borders of the Soviet Union. Every European nation, but especially we, in Central-Eastern Europe, are affected. We are in a process of continuous coordination with everyone, with the neighboring states and with the leaders of the western countries, and with the European organizations.

We do not yet have a clear view of who it was, on whose instructions the soldiers took action in Vilnius; however, no one can justify their violent intervention which claimed human lives. Since then, we know, according to the most recent reports too—the USSR minister of internal affairs has stated this—that instructions for such acts of military intervention in Vilnius were not issued from Moscow.

This morning, Foreign Minister Geza Jeszenszky summoned Ambassador Aboimov. In this manner too, we express our solidarity with the Lithuanian people, and we also emphasized once more that the solution to the problems that have emerged can be found only through peaceful means and negotiations.

Nor have we been idle up to now. Already on 11 January the foreign minister stated the government position. The Hungarian Red Cross has made contact with the Lithuanian, the Polish, and the international partner organizations. The consignment intended as first aid is being dispatched. I must mention here that the Hungarian Red Cross is sending Lithuania immediate first aid to a value of some 150,000 forints, in accordance with Lithuania's original requests—means for providing first aid, such as bandages, food and blankets, in part. We are gaining information on the spot about the requirements, so that later we can send more assistance.

The Hungarian Red Cross was the first, along with the Nowegian Red Cross, to present itself to the international league, to get information on the aid requirements from the Lithuanian Red Cross, and to provide aid to Lithuania. At the moment, in cooperation with the Polish and the Czechoslovak Red Cross, we are planning to send aid there. Up to now, Finnish Red Cross aircraft have been given permission to land in Vilnius with aid on board. The Polish Red Cross has sent off an aid consignment, we do not yet know whether it has made it across the border.

The aid consignment of the Hungarian Red Cross will set off on Tuesday afternoon, or on Wednesday dawn at the latest, via Warsaw, to Vilnius, with two Red Cross staff and a volunteer. This is what I wished to announce.

In the future, the Hungarian Government will be in contact with all governments concerned, and apart from this we are working, together with the Polish and the Czechoslovak Governments, on shaping a joint position. Mr. foreign minister held talks today too, or rather he already did so yesterday with the Czechoslovak foreign minister and with representative of the Polish foreign minister. I imagine that perhaps mr foreign minister has something to say or brief us about.

Thank you for listening to me, and I think that together with its stand of condemnation and also raising the prospect of further talks, the government will take a joint stand with the Czechoslovak and Polish Governments on this matter. I propose that the National Assembly issue a resolution in the form mentioned by Mr. Speaker. Thank you.

MDF Issues Statement on Lithuania

LD1501233691 Budapest MTI in English 1652 GMT 14 Jan 91

[Text] Budapest, January 14 (MTI)—The National Presidium of the Hungarian Democratic Forum (HDF) [MDF] at their meeting on Monday passed a resolution protesting against the events in Lithuania. The National Presidium of the Hungarian Democratic Forum was deeply shocked to note that certain retrograde forces in the Soviet Union, in defiance of the hitherto pursued course of renewal, are aiming at the reversing of democratic developments, violently intervening in the life of Lithunia. The HDF Presidium declares full solidarity with the Lithuanian people and the other Baltic and non-Baltic peoples at risk. It calls upon the Hungarian Government to immediately join the democratic forces organized in central Europe and the Soviet Union aimed at to halting the aggression.

The Hungarians are bearers of the tragic historic experience that the parallel and mutually dependent efforts made by the great powers to handle global crisis can only serve to put back democratic development throughout the world for a long time. For this reason, we call on the leaders of the great powers to keep looking for peaceful solutions to both crises, because peace has no alternative anywhere, runs the statement of the HDF Presidium.

'Brutal' Acts Seen as Repeat of 1956

AU1401132391 Budapest MAGYAR HIRLAP in Hungarian 12 Jan 91 p 5

[Ivan Gador editorial: "Brutal Intervention"]

[Text] The latest news arriving from the Baltics is astonishing, but not at all unexpected. The leadership of the Soviet internal security services and the general staff of the [Soviet] Army have been preparing for the implementation of some presidential authority for weeks, if not months. At the moment, they have the Baltic republics in mind, but thereafter, they will probably turn to the other four disobedient republics. Elite parachute units have arrived in these other republics during the last few days.

Nobody can entertain any illusions: The soldiers and the internal security forces in the Baltics and in the Ukraine are no longer going to dillydally. Time is up for meek and well-intentioned parliamentary politicians; the time has come for ultimatums and arms. Internal formulae and scripts—the main elements of which have been ready for a long, long time—will probably leave room for a few differences. One has to proceed in a different way in areas which have a substantial Russian mother-tongue community—a community which is already disobedient vis-a-vis the local legislature or government, and which could be pulled into strikes or skirmishes at any point—than in Lithuania, or in the area alongside the Moldovan Dniester. The situation in Vilnius and Kaunas—where the population is almost entirely Lithuanian, and where only an armed "implementation of order" can help the central authorities, in fact—also differs from the situation in Georgia or Armenia, where easily stirred-up conflicts between opposing national groups could play straight into the strong presidential hand.

The results are the same: The policy of democracy and partner-type bargaining is giving way to a policy of dictates. Furthermore, from that point of view, it is irrelevant whether it is a politician of Gorbachev's stature who gives the go-ahead, or if raw military violence appears quite openly. In summer 1990, at the time of the Lithuanian blockade—which was a rehearsal for the present, much more brutal series of measures—Gorbachev's moderating effect hardly achieved anything, and it is hardly likely to make a greater impact this time. In summer 1990, the presidential power was still afraid to use military force, but now it is hardly likely to refrain from using this force.

At the moment, international circumstances are far more inducing to such a brutal intervention than they were in summer 1990. The Gulf crisis is diverting the attention of the West, although—and this is something that is signalled by Western sources—the policy of a strong Soviet hand does not leave Soviet-American relations indifferent.

It is very tempting to draw a parallel: We are all reminded of the link between the Hungarian revolution of 1956 and the Suez crisis. In that sense, the events concerning the Lithuanian people and the other Baltic populations (as well as the other national groups of the Soviet Union) clearly concern all the peoples of Eastern Europe, who have now won their freedom. Moreover, given that our associations are particularly tragic, and that we awaken faster than others to the sound of invading tanks, this is a very Hungarian affair indeed. We can merely hope that we are not rewriting 1956-1957.

Economic Minister Kadar on 1990 Trade Figures

AU1401112891 Budapest MTI in English 2207 GMT 11 Jan 91

[Text] Budapest, 11 January (MTI)—Hungarian foreign trade closed a record year in 1990, Minister of International Economic Relations Bela Kadar said in an interview with MTI.

The surplus in the convertible accounting balance totals $945 million, which was attained by the powerful expansion of exports, rather than by reducing imports. As compared to 1989, exports rose by some 17 percent, imports by 12 percent. This was the first time that the value of convertible exports was higher than $7,000 million.

The rouble-accounting balance also developed favorably. Last year, rouble trade broke even, compared to 1989's huge surplus of R550 million, and a deficit equalling R2.5 million was registered at the end of the year.

However, turnover declined considerably: Exports dropped by 24 percent, and imports by 18 percent within one year.

The switch in markets was launched last year: The proportion of exports to East European countries dropped from 41 to 29 percent over one year, while imports dropped from 40 to 32 percent. Compared to this, 35 percent of Hungarian exports went to the member countries of the European Communities, against the former 27 percent. With respect to imports, the proportion of EEC countries involved rose from 29 to 33 percent, with a major growth noted in the proportion of leading Western countries taking part in Hungarian foreign trade. Their share reached 60 percent in 1990, compared to 50 percent in 1989.

Examining the countries separately, the Soviet Union continues to be Hungary's most significant foreign trade partner, but its share has declined from 23 to 18 percent. The proportion of the former FRG rose from 14 to 17 percent.

Reasons Behind Forint Devaluation Examined

AU1401162991 Budapest MAGYAR HIRLAP in Hungarian 7 Jan 91 pp 1,6

[Interview with Attila Karoly Soos, chairman of the National Assembly's Budgetary Committee, by Ferenc Langmar; place and date not given: "Forced To Devalue"; first paragraph is MAGYAR HIRLAP introduction]

[Excerpts] The forint was devalued by 15 percent today, on 7 January, 1991. This is no longer news, but not everybody knows the reasons behind this government decision, or the debates that preceded the devaluation measure. We interviewed Attila Karoly Soos on this subject.

[Langmar] The deputy chairman of the Hungarian National Bank has stated that one of the most important reasons behind the devaluation was the internal government debate on exchange rates, which had led to devaluation expectations. What do you think about that argument?

[Soos] Devaluation expectations slow down the rate of exports and speed up the rate of imports. The collection of outstanding export claims is slowed down, as is the rate of foreign investments, in fact. So, if the government has raised these expectations, this constitutes a basis for the other side. Under such circumstances, the Hungarian National Bank has no other choice but to devalue.

[Langmar] A difficult situation had developed in our economy?

[Soos] Yes, I think so. In the end, however, it became impossible to avoid a devaluation. In 1990, the forint was devalued several times, and its total devaluation amounted to 18 percent, an amount which fell well behind inflation rates, so the value of the forint dropped. Given our surprisingly good export achievements, it can be said that developments did not necessitate a forint devaluation. Current price increases, however—whichever way we judge them—lead to a further revaluation of the forint; furthermore, under such circumstances, it becomes impossible to avoid a devaluation. The collapse of CEMA constitutes a great market loss, yet the change of markets is a time-consuming and costly business. A devaluation of the forint was the only way to finance these changes. Without a devaluation, it would be impossible to maintain our current levels of export orders.

So, I agree with this devaluation measure. Apart from that, Minister for International Economic Relations Bela Kadar wants to stimulate exports through various investment funds and export subsidies; I disagree with him on that point. It is inconsistent to demand both these measures. I think that a devaluation is a more correct measure, in line with market requirements. [passage omitted]

[Langmar] It has been rumored that the IMF demanded this devaluation.

[Soos] IMF negotiations are never made public, but you may well be right. If that were the case, then we must not forget that other creditors follow the example of the IMF when granting credits. Demands are made by those who pay....

[Langmar] Our finance minister has stated that the devaluation represents a six-percent inflation in itself, and that this inflation rate had already been incorporated into the budget proposal. Do you believe that statement?

[Soos] Yes, I do. This does not stop inflation rates from being fairly high, though.

[Langmar] Does this mean that our parliamentary deputies already knew that the 1991 budget foresaw a forint devaluation of 15 percent?

[Soos] Yes, of course we knew that such a devaluation would form part of this year's economic policy. The government, of course, was clever enough to conceal the exact date and magnitude of the devaluation. It was to be suspected that the forint devaluation would take place at the beginning of the year. For the sake of Hungary's international negotiations, the government's tactic was to eventually show that Hungary had made the greatest possible improvements in 1991. It was, therefore, appropriate for the government to let foreign trade results deteriorate a little bit at the end of 1990, so that it would be easier to show an improvement thereafter. For the people who understood this tactic, the January devaluation measure proved to be no surprise. [passage omitted]

Bielecki, Walesa Address First Government Meeting

LD1401232991 Warsaw Domestic Service in Polish 1500 GMT 14 Jan 91

[Text] At midday the Council of Ministers met for its inaugural meeting. President Lech Walesa is taking part in it. At the start of the meeting Prime Minister Jan Krzysztof Bielecki said:

[Begin Bielecki recording] I have the great honor and pleasure to open the first meeting of the Council of Ministers. At this moment we are beginning incredibly difficult work, which is going to be carried out from the moment of election to the moment when parliament decides that our mission has ended. Everyone understands the will of our mission and the will of serving the state; the need for responsibility is the most important thing. I believe that the basis of our success will, on the one hand, be a sensible program accepted by society, and, on the other, the ability to implement it. That is why it is so important that we know how to work as a team, a team of people who understand each other and want to achieve [word indistinct], who are aware of the responsibility for the tasks entrusted to them. [end recording]

President Lech Walesa said:

[Begin Walesa recording] As of this moment you are the helmsmen of the state. You have an historical mission to fulfill and I wish you success. Poland needs that success very much. I am aware of the enormity of the tasks you face. We have a great deal to put in order in Poland. With a one month presidential perspective I have to state that I am shocked by the waste of money and people's work in many central state institutions. When asking the public to make sacrifices let us make the greatest demands on ourselves. Let us have respect for the normal paying taxes. [end recording]

The situation in Lithuania and in the Persian Gulf was discussed for more than two hours.

Walesa, Soviet Ambassador Discuss Lithuania

LD1401171891 Warsaw Domestic Service in Polish 1500 GMT 14 Jan 91

[Text] President Lech Walesa received Stanislaw Ciosek, the Polish ambassador to the Soviet Union, in the Belweder Palace this morning. According to the ambassador, it is still necessary to wait for a full assessment of the events in Lithuania. Stanislaw Ciosek said that the nonacceptance by the international community of the methods of the solving of the conflict by force were likewise increasingly less acceptable in the Soviet Union.

The question of the withdrawal of the Soviet Army from Poland was also discussed. The ambassador reported that the USSR president was interested in a favorable and good-neighborly relations with the Poland. He conveyed guidelines concerning not only Lithuania but also the activity of the embassy in Moscow.

Skubiszewski: 'Lithuanian Aspirations' Supported

LD1401222991 Warsaw Domestic Service in Polish 1800 GMT 14 Jan 91

[Report on news conference by Foreign Affairs Minister Krzysztof Skubiszewski with unidentified reporters; place and date not given—recorded]

[Text] Foreign Affairs Minister Krzysztof Skubiszewski has brought back from London full support for Poland's aspirations for association in the EEC—i.e., on financial questions and passenger traffic in cooperation with the EEC. [Words indistinct] news conference was, however, dominated by the recent events in Lithuania, which it is not surprising. Minister Skubiszewski said that it should not happen, that the conflict should be solved politically, especially because so much time has elapsed since March of last year, when Lithuania declared its independence. He also expressed hope that a return to negotiations was possible, because the use of force is not only wrong but does not yield results, especially in the long term. In reply to the question what kind of policy Poland would apply to Lithuania in light of recent events and whether Poland would recognize its independence, Minister Skubiszewski said:

[Skubiszewski] Our policy will not change. We support Lithuanian aspirations, we believe these kind of problems ought to be solved through discussion and negotiation. Talks and negotiations are unavoidable here between Vilnius and Moscow; furthermore, it was not a good thing that they were not held, that there were so few of them. If it is a question of Poland, then apart from the support we are giving Lithuania, I also believe humanitarian aid will now be necessary, particularly after the recent events. We already have had a great deal of cooperation with Lithuania, only it was hampered by the fact that Lithuania did not control her borders. Even to this very day she does not control them and Poland quite simply cannot change that, but we are going to do everything possible.

If it is a question of recognition, I do not think this question is losing its importance at the moment, because the government of independent Poland never recognized the Annexation Act of 1940. People often forget this, that there was no act of recognition. Afterward there was a certain factual situation, it [word indistinct] exists between all the states that did not recognize that annexation; however, much time has passed, and a certain situation has been created, which should now be gradually changed by way of negotiation. Lithuania is currently on the path to independence, it is still not an independent state, and as a result of our experience we can say that the path to independence is a very long path.

Council of Ministers 'Supports' Lithuania

LD1401223791 Warsaw TVP Television Network in Polish 1830 GMT 14 Jan 91

[Text] Poland supports the aspirations of the Lithuanian nation, reads the statement adopted at today's inaugural meeting of the Council of Ministers. The document also contains an appeal for observance of the spirit and the letter of the Paris Charter of New Europe and other resolutions of the CSCE conference. The government has decided:

—To maintain the hitherto official relations with the legally elected organs of the Lithuanian Republic;

—To summon the Polish ambassador in Moscow home for consultations;

—To instruct the organs of the government administration to suport all kinds of humanitarian aid for Lithuanian population;

—To set up at the Ministry of Foreign Affairs an inter-ministerial working group which would analyze the situation and formulate proposals in connection with events in the Baltic republics.

At the same time the government is appealing to the Polish society to refrain from any illegal actions directed against Soviet offices in our country. The deliberations of the govenment, which were attended by Lech Walesa, are in progress.

Further on Council Statement

LD1401224491 Warsaw Domestic Service in Polish 1900 GMT 14 Jan 91

[Text] The Polish Government has learned, with anxiety, that violence, including the use of troops, was applied against various public institutions and civilians in Lithuania—reads the statement adopted by the Council of Ministers. Poland, reads the document, supports the aspirations of the Lithuanian nation. The hopes of the world, including those of Poland as a neighbor of the Soviet Union, are linked with the idea of reconstruction in the Soviet Union and European unity. Right now these hopes have been put to a severe test. Poland believes that maintaining peace, tolerance, and friendly relations in our region is of fundamental importance. All conflicts and arguments should be resolved without the use of force, by peaceful means, particularly through talks and negotiations by the parties involved. The Government of the Polish Republic appeals for the observance of the spirit and the letter of the Paris Charter of the New Europe and other CSCE resolutions.

No Soviet Movements Toward Lithuania Reported

LD1501021891 Warsaw PAP in English 1623 GMT 14 Jan 91

[Text] Warsaw, Jan. 14—"No movements of the northern group of Soviet Army units which could be linked with the situation in Lithuania have been registered," PAP learned from Gen. Stanislaw Fryn, the plenipotentiary of the Polish Government for the transit of Soviet troops through Poland.

"The Soviet convoys passing through our country are regular shipments of equipment, ammunition, fuels and exchange of soldiers which have been taking place for years. We do not note greater numbers of them or different compositions," the general said.

Referring to the transit of Soviet troops stationed in Germany through Poland, Gen. Fryn said: "Four to six trains go across daily. Any transit of troops from Germany is however out of the question as no agreement has yet been signed. In a special exception, the government agreed to two such transports on January 10. Before that happened, the trains waited for some time at the border."

Lithuania's Saudargas Comments on Events

LD1401232691 Warsaw PAP in English 1742 GMT 14 Jan 91

[Text] Warsaw, Jan. 14—The plenipotentiaries of the emigre government take effect the moment it becomes clear that the Supreme Council of the Lithuanian Republic is incapable of convening its meeting and adopting laws and resolutions in normal conditions. From that moment on, the government of the Republic of Lithuania stops to function. The foreign affairs minister, Algirdas Saudargas becomes the prime minister and has authority to set up an emigre government and to name representatives of the Lithuanian Republic in respective diplomatic representations—so read excerpts of a plenipotentiary presented to Lithuanian Foreign Affairs Minister Algirdas Saudargas, now on a visit to Poland.

The letter was passed on by Mart Tarmak, Estonia's permanent representative in Lithuania, who arrived in Poland from Vilnius at the order of his government.

"If I make use of these plenipotentiaries, though at this moment there is no such need, this will oblige me to wage struggle outside the country," Saudargas said, adding that the silence over Lithuania prevailing now was dangerous. According to the Lithuanian minister, the most important question now is who has power in the USSR? The generals in Vilnius hold that they get their orders from Moscow. Where then is the source of brutality and cruelty? Saudargas suggested that perhaps the military was taking over power.

"If Gorbachev is not responsible for our tragedy and is losing power, then the peaceful citizens of Lithuania, as the first, before the eyes of a silent world, shed blood for the ideals which Gorbachev spoke about," the Lithuanian minister said.

Saudargas did not confirm he would meet with President Lech Walesa and Foreign Affairs Minister Krzysztof Skubiszewski on Monday.

Asked by Polish newsmen about the fate of a delegation of Polish parliamentarians who left for Vilnius on Sunday, Czeslaw Okinczyc, a deputy at the Lithuanian Parliament, announced that the Poles reached the Lithuanian Parliament without trouble. They are to meet with representatives of the Polish community in Lithuania on Monday.

Commentary Expresses Solidarity With Lithuania

AU1501122491 Warsaw GAZETA WYBORCZA in Polish 14 Jan 91 p1

[Adam Michnik commentary: "To Our Friends the Lithuanians"]

[Text] Hope has been wrapped in a shroud. Freedom is being stifled. At this dramatic moment I address words of solidarity to you, Lithuanians. You have many friends in Poland who share your grief, your desire for resistance, your hopes—and your powerlessness.

Just like you, we have no missiles or divisions. All we have is our ideals and our words.

When the Ribbentropp-Molotov Pact gave the sovereign countries of our region into the hands of two totalitarian dictatorships half-a-century ago, many thought that was the end of freedom and truth. Yet both freedom and truth survived. Although they seemed powerless, in the end they proved more powerful than terror, lies, and the policy of denationalization. That is why today the orphans of Stalin have to resort to the weapons that are the last resort of all dictatorships—tanks. This is another operation typical of "tank communism," whose presence is illustrated by the bodies of its victims.

We understand the complicated process of reforming the totalitarian structures in the USSR, as well as the complexity of international politics. We understand the West's involvement in the conflict with the Baghdad dictatorship and its fear of the Balkanization of Central and Eastern Europe. We understand the concern for peace and stability in Europe.

Understanding all this, we reject the practice of cowardice and capitulation.

We Poles live in a country where Soviet forces are stationed, a country joined to the USSR by thousands of economic links. We know the extent of the risk and the measure of our responsibility. We wish all our neighbors well. We want no conflict with anyone. We have declared our respect for Mikhail Gorbachev's bold reformist policies, which the world of western democracy has rewarded with the Nobel Peace Prize.

That is why today, we say—NO! One must not stifle Lithuanian freedom. One must not kill people on the streets of Vilnius. One must not tread the will of the people into the ground and impose a collaborationist regime upon them.

We demand the abandoning of force and a start on talks on the subject of Lithuania's immediate sovereignty. This may be the last chance.

We also write this in the conviction that no nation that holds another nation in bondage can be free. The death of Lithuanian freedom will be the death of hopes for the freedom of the Russian people. We express great respect, gratitude, and admiration for the democratic forces of Russia that have protested against the new occupation of Lithuania.

We also realize the entire complexity of Polish-Lithuanian relations in the Vilnius region; however, we have no time to discuss that today. Today we say: As long as we breathe freely in Poland, the Lithuanians are not alone.

We Poles know very well the drama of struggle by the weak and defenseless against forces that are strong and armed to the teeth, the drama of a struggle waged in isolation while the powerful men of this world remain silent.

Faithful to our Christian, human, and Polish identity, let us do everything we can for our Lithuanian brethren. Long live free Lithuania!

Estonian Official Conveys Support to Lithuania

LD1401235691 Warsaw PAP in English 1855 GMT 14 Jan 91

[Text] Warsaw, Jan. 14—Estonian permanent representative in Lithuania Mark Tarmak has arrived here from Vilnius to convey to Lithuanian Foreign Minister Algirdas Saudargas, staying in Poland since Saturday, a letter from his country's authorities empowering him to form, if necessary, a Lithuanian government in exile.

Commenting on the events in Lithuania during a meeting with newsmen today Tarmak said the Lithuanians bear the responsibility for the liberation efforts of all the Baltic republics. "The Estonians will do the same if the need arises," he said.

Commentary Fears Expansion of Executive Authority

AU1101120591 Warsaw GAZETA WYBORCZA in Polish 4 Jan 91 p 1

[Ernest Skalski commentary: "A Supergovernment?"]

[Text] The Presidential Chancellery is to become the center of politics. The National Defense Committee, financed by the Ministry of National Defense, is to disappear in a few weeks time, its place taken by either a national defense council or state security council, financed by the Presidential Chancellery. A committee

responsible for state cadres might also be formed. These are the key features of the plans concerning the Presidential Chancellery, presented by Jaroslaw Kaczynski, head of the Presidential Chancellery, on Thursday.

The political center will consist of the following bureaus: the bureau for cooperation with the government, a legal bureau (both of these headed by a secretary of state), a bureau of legal affairs, a bureau of socioeconomic affairs, a bureau of social organizations and social affairs, and an international bureau (all of these headed by either a secretary or under secretary of state). Jacek Merkel has already been chosen minister of state for security.

The Chancellery will consist of various teams. Apart from the abovementioned state cadres committee, there will be a committee for analyses and intervention. Investigations and analyses will be undertaken by research institutions.

Kaczynski said that the president will present legislative initiatives more often than his predecessor.

The chancellery's budget should not be higher than the figure envisaged in November (213 billion zlotys). Although the political center will employ several dozen new employees, about 70 employees will leave the Chancellery, which consists of over 200 people.

Under Jaruzelski, the Presidential Chancellery consisted of a legal committee, a press monitoring committee, a justice committee, and an awards and honors committee. A large part of the Chancellery's energy was spent on appointing judges, professors, generals, and ambassadors. There were three ministers of state: Jozef Czyrek, Jozef Koziol, and Piotr Nowina Konopka.

These plans to expand supraconstitutional institutions surrounding the Polish president may disturb people. The president can seek advice from anyone he wishes and create the kind of executive apparatus that will enable him to discharge his constitutional duties. However, he ought not to make the work of the constitutional government more difficult by creating a supergovernment around himself and discrediting the Sejm by having a political council consisting of politicians who would win no votes in an election.

In fact, the Sejm is now totally unrepresentative, but because we have already commenced acceleration, a new government should be created as quickly as possible, instead of complicating the situation with artificial political appendages.

If the government is to be one of experts, with a host of very specific matters to deal with, it must restrict itself to its constitutional duties, without the additional burden of arguing with an unconstitutional supervisory apparatus set up by the Presidential Chancellery. The expansion of this apparatus will automatically encourage it to assume the government's responsibilities to justify its existence.

It is true that the Polish Constitution is a blend of various rules adopted between 1952 and 1990, but until we receive a better one, we have to observe the one we have. Even an imperfect state of affairs is better than anarchy.

Preparations Under Way for Soviet Troop Transit

LD1101235591 Warsaw PAP in English 2231 GMT 10 Jan 91

[Text] Warsaw, Jan. 10—Poland and the Soviet Union have not yet signed an agreement on the transit of Soviet troops being withdrawn from Germany via Poland.

At issue are some 370 thousand Soviet soldiers and a total of about 900 thousand people including civilian personnel and families. Some of them will reach the USSR by sea. Poland prohibits the transport of dangerous weapons and armed troops through its territory.

Despite a lack of final legal regulations pertaining to the transit, preparations are under way in some voivodships which will be included in the road evacuation route.

The first section of this route, running from the border crossing in Kolbaskowo has already been examined. It turned out that car weights are necessary to determine the tonnage of the convoys. Some rebuilding is called for in the border section itself.

The route across the Koszalin and Slupsk Voivodships is 170 km long. The mayors of some towns along the way are against the movement of Soviet troops through their cities. In Czluchow, for instance, there are many old buildings which could suffer from the massive convoys. The only way out is to build bypasses and broaden some streets. In Czluchow alone, the costs are estimated at 25 billion zlotys (2.5 million dollars).

The roads in the Gdansk voivodship do not require any special adjustment of the transit of the troops. The city of Malbork will be a "bottleneck" for Soviet convoys in the Elblag Voivodship. Three bridges will have to be renovated on the Elblag-Kaliningrad highway.

IMF Official Optimistic About 'Shock Therapy'

LD1401054591 Warsaw PAP in English 2035 GMT 13 Jan 91

[Text] Washington, Jan. 13—Massimo Russo, the director of the European Department in the International Monetary Fund denied reports that relations between the IMF and Poland have entered a difficult stage and that Poland may not receive new credits.

Russo stated that the an IMF mission would arrive in Warsaw in the second half of January to continue negotiations on a three-year stabilization-adjustment program which could take effect as early as this April.

"We will support this program with financial means and technical aid," the IMF director told the PAP correspondent in Washington.

At the end of 1990 Poland exceeded the indices of wage growth and credits supply agreed upon in the to-date agreement with the IMF and thus was unable to draw a 200-million-dollar installment of the stand-by credit extended by the fund last February. Russo said that at the end of last year the IMF stood ready to discuss modifications in Poland's financial policy and "even to lift" the regulation prohibiting the use of the rest of the credit.

The IMF mission to Warsaw will also discuss the issue of a crude oil compensation credit for Poland. A World Bank mission will be in Poland at the same time and a significant part of the talks with the Polish Government will be held jointly by both groups.

Russo, the chief negotiator of the agreement on the adjustment program and the stand-by credit during a visit to Warsaw at the end of 1989, thinks that the first year of the Polish shock therapy worked out better than expected in such areas as the balance of payments, budget and currency stabilization but inflation was too high because of the exceeded wage growth and credit supply targets.

Senator Warns of 'Third World' Economic Fate

PM1101164991 Wroclaw GAZETA ROBOTNICZA in Polish 21 Dec 91 pp 1, 8

[Interview with Senator Karol Modzelewski by Grazyna Saniewska; place and date not given: "Before We Reach the Other Side"; editorial note states that "second part of interview will be published in early January"]

[Text] [Saniewska] Can such values as social justice, solidarity, self-government, and state welfare care, which constituted Solidarity's credo back in 1980-81 and which you still faithfully profess today, be deemed compatible with market economy institutions, effective management, and the principle of market competition ?

[Modzelewski] Scandinavian countries, the FRG, or France, all of which are under social democrats' influence, have for a long time now pursued the policy of preserving a balance between social security and economic efficiency demands, between equality and liberty. It would be hard to deny that these countries enjoy the kind of freedom, competitive market, affluence, and economic efficiency that we could wish for ourselves.

[Saniewska] They find it easier to balance out these contradictions because they have more material resources at their disposal. Perhaps it is only the rich countries that can afford the luxury of reaching this goal?

[Modzelewski] Critics say of the Polish Peoples' Republic that it was an excess-welfare state. This is because, in addition to social welfare benefits and free medical care and education, certain production sectors were subsidized in order to maintain the prices of food, medicine, books, and housing rents at very low levels. This policy was typical of the socialist system, which at the same time reduced the population's real wages to levels several times lower than those in West European countries. For the majority of the population, this protective social welfare program became an indispensable element in their minimum subsistence capacity. Now we are abandoning the whole program, and at the same time we have cut our real wages by one-third. In this situation it is the public which cannot afford the cuts in the state assistance. It was fortunate that—among other things, thanks to Deputy Ryszard Bugaj's initiative—the Sejm commission rejected the dangerous proposals to commercialize housing rents according to market forces. When we claim that we cannot afford a social welfare program, we at the same time forget about the principal aims of our economic policy.

[Saniewska] What are these aims supposed to be?

[Modzelewski] Material prosperity together with social security should constitute the point of departure for mapping out the aims and priorities of our economic policy. It is the goal of this policy to select the means of achieving these aims. This may be very obvious, but both the decisionmakers and those who influence public opinion still persist in forgetting about it. To reiterate, to begin with we must choose the political goal and then we must select the economic instruments with which to achieve this goal. If this task is to be carried out by professional economists, they must at this moment be equipped with the political mandate to carry it out. Consequently, the program should entail a certain philosophy which will dictate who and what is to be given priority.

[Saniewska] Why do you disagree with the philosophy of the current socioeconomic program?

[Modzelewski] We have applied a "therapy" designed for the capitalist economy to our system of socialist economy. In our circumstances, the closed monopoly system (the problem lies not only in there being just one single monopoly-holder, that is, the state, but in the existence of technological monopolies) allows virtually no room for competition. Nor do we have a system wherein proprietors could transfer their capital from less profitable sectors and companies to those that offer more profit. Thus, there are no mechanisms in our system to provide for a spontaneous economic restructuring. In their absence, and also given the monetarist policy pursued by the government, the monopoly-holders save themselves by hiking prices to ever higher levels. As a result, there is no demand for the commodities produced. There is no market and, consequently, a serious recession begins to develop. As a result, instead of an expansion of the stronger at the expense of the weaker, we have a situation where everyone founders. This carries with it the threat of losing a significant proportion of the country's economic potential and can lead to a collapse comparable to that which threatened the GDR economy until the FRG money bailed it out. It is no secret that, after the GDR joined the international economic system, it became apparent that everything

that socialism had produced failed to reach the standards posed by the competitive Western markets.

[Saniewska] We do not have such a generous brother. How can we save ourselves?

[Modzelewski] We must come to terms with the fact that before we reach the far edge of the gulf separating us from true market economy, we need to go through a lengthy transition period—and go through it so as not to destroy our potential. Even though this potential is scant and ineffective, by destroying and wasting it we will descend to the level of Third World countries—and that is a level from which you do not ever return to Europe again. Therefore, if we do not want to appear in relation to united Germany as Latin American countries appear vis a vis the United States, we must modernize the assets we still possess. And we will not succeed in this without substantial assistance from the state.

[Saniewska] Almost 90 percent of our economy is owned by the state. Given that this owner has a very poor record in managing his assets and his companies, would it be wise to consent to a higher level of state economic intervention?

[Modzelewski] Until very recently we had a system of managing the economy through administrative command. You cannot really call that state intervention. After all, state intervention is based on application of such economic measures as, for example, credit guarantees, tax allowances and concessions, subsidies, measures designed to counteract the monopoly system, application of taxation to curb excessive price increases, and so on. Thus, state intervention is indispensable wherever we need to replace malfunctioning, or nonexistent, market mechanisms.

[Saniewska] Why, then, are these evident shortcomings of the government program not pointed out and highlighted by the Group for the Defense of Employees' Interests, which was established within the Sejm on your initiative?

[Modzelewski] The parliamentary lobby in question, which consists of 30 Sejm deputies and senators associated in the Citizens Parliamentary Committee, was not overly active in the recent past for reasons of preserving our loyalty toward Tadeusz Mazowiecki. There is another, extraparliamentary group which is likely to be much more critical toward the government—I have no doubt it will be critical also toward the current, brand-new government—and that is the political alliance "Solidarity of Labor." This organization will admit both organized groups, such as the Association of Activists of Workers' Self-Management Structures, and individual members into its ranks. However, it is designed as a group with a distinct political identity. A document detailing the new group's program has been drawn up already. It will be submitted for appraisal to the board of founding members which includes, among others, such names as Ryszard Bugaj, Andrzej Milkowski, Jan Jozef Lipski, and Jerzy Szacki.

[Saniewska] Thank you for talking to us.

Christian-National Union Re-Elects Chairman

LD1401054191 Warsaw PAP in English 2053 GMT 13 Jan 91

[Text] Warsaw, Jan. 13—Professor Wieslaw Chrzanowski from the Lublin Catholic University became again chairman of the Christian-National Union today, on the second day of the second congress of this party.

The congress made important changes in the party's statute, setting up the political committee and the main auditing commission. The congress adopted also a new ideological and programmatic declaration containing the party's ideological assumptions.

Over 150 delegates to the congress adopted a resolution on current policy of the Christian-National Union and gave conditional support to the Jan Krzysztof Bielecki government, expecting it to make changes in the economic policy making it possible to actually switch over to market economy.

TV Head Criticizes Infighting Among Journalists

LD1001231691 Warsaw TVP Television Network in Polish 2146 GMT 10 Jan 91

[Text] As PAP reports, during the meeting today between Marian Terlecki, the new chairman of Polish Television, and the Citizens' Parliamentary Floor Group, Terlecki said that television is not going along with the transformations taking place in the country. In his view, there are few journalists who understand these transformations. He added that around 80 percent of the journalists employed in the Wiadomosci program [news program] are people competing about which faction they belong to, that of Kiszczak or that of Moczar: [minister of internal affairs in late 1960's, competing for personal power].

RSW Liquidator on Delay With Title Sell-Off

AU1101132391 Warsaw RZECZPOSPOLITA in Polish 5-6 Jan 91 pp 1,2

[Interview with Kazimierz Strzyczkowski, chairman of the Workers Publishing Cooperative, RSW, Liquidation Commission, by Tomasz Roguski, place and date not given: "Weighing Interests"]

[Excerpts] [Roguski] The sale by tender of ZYCIE WARSZAWY and EXPRESS WIECZORNY has turned into a fiasco. The sale of ZYCIE has been canceled, and the sale of EXPRESS postponed by a few weeks. Despite earlier announcements, attempts to sell off these two "hot" titles quickly have proved unsuccessful. Did the Commission lack the courage to reach any decision?

[Strzyczkowski] I do not agree that these sales have turned into a fiasco. The rules foresaw the possibility of

canceling the sale. To illustrate its integrity, the Commission decided to cancel the sale of ZYCIE following a suspected tampering with the envelope containing a bid by the cooperative of that paper's employees. One cannot talk of any failure right now.

The postponement of the sale of EXPRESS WIECZORNY is not an attempt to evade decisions or shirk responsibility. This decision conforms to the interests of those involved in the sale. They can express their standpoints during the resultant interval. A ZYCIE WARSZAWY representative criticized the Commission for wanting to reach a decision in such a short time. The interval will provide extra time in which to gather additional information and opinions, and weigh interests.

[Rogulski] Will all the sales take so long?

[Strzyczkowski] The procedures will not be the same for every paper. ZYCIE WARSZAWY, EXPRESS WIECZORNY, SZTANDAR MLODYCH, DZIENNIK BALTYCKI, and GAZETA KRAKOWSKA are particularly important papers, and any decisions about selling them off have to be made with extra care. In the case of titles that are not so important, the Commission will act more quickly. We have established a schedule, according to which the bids will be read out on 11 or 12 January and the names of the successful purchasers announced 18 or 19 January. We are imposing a schedule on ourselves so that the liquidation of the Workers Publishing Cooperative [RSW] may proceed as smoothly as possible. After all, there are over 100 press titles to be sold.

[Roguski] The Commission has been accused of a lack of criteria when making decisions. Has the government laid down any criteria? Will editorial teams have any say on who should buy their paper? Will any political pressure be applied so that a certain paper is bought only by a specific person or group?

[Strzyczkowski] Indeed there has been a lack of criteria governing these sales, and the Commission itself has not based its decisions on any such criteria. The RSW Liquidation Act does not lay down any criteria. Thus, it lays the entire burden of decisions on the Commission's shoulders.

However, we have decided to take all things into consideration, not just economic factors, although the application of economic factors would be the simplest solution in some cases. Therefore we will apply other criteria as well, such as the job security of editorial teams, the continuation of the paper, and development prospects. [passage omitted]

[Roguski] The first sale has revealed a lack of organization. Will there be any changes?

[Strzyczkowski] As far as organization and sales procedures are concerned, we were properly prepared. We publicized clear rules on how these sales were to be held. But the first sale interfered with the work of bidders' representatives, who questioned the legitimacy of selling off ZYCIE WARSZAWY at all. We failed to pacify all those who voiced protests during the sale. In future we will impose greater discipline during these proceedings.

There should be no repetition of the situation that caused the cancellation of the sale of ZYCIE WARSZAWY. From now on, bids will be sent to the office of the notary public, which will pass them on to us together with a complete list. That will ensure that the envelopes containing the bids will not be tampered with.

Events in Lithuania Prompt Reactions

Foreign Ministry Airs Concern

AU1401154391 Bucharest ROMPRES in English 1513 GMT 14 Jan 91

[Text] Bucharest, ROMPRES, 14/1/1991—In a statement released in Bucharest today the Ministry of Foreign Affairs of Romania expresses concern over the events in the Baltic republics, especially over the recourse to force in Lithuania, which resulted in casualties.

The Romanian Foreign Ministry, the statement shows, expresses the hope that Soviet central and local authorities will work most responsibly in the spirit of the provisions of the Helsinki Final Act and of the other CSCE documents for the settlement of the issues cropped up on by way of dialogue, an end being put to the use of force.

The continuation of democratic changes is an essential requirement for the building of a new Europe whose coordinates were unanimously defined by the Paris Charter adopted by the heads of state and government of the CSCE countries, the statement issued by the Ministry of Foreign Affairs reads in conclusion.

PNT-cd Gives Position

AU1401220291 Bucharest ROMPRES in English 1618 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—The use of force to exercise pressure on the population and thus determine it to adopt attitudes that are not consonant with its options is deeply regrettable, shows a statement sent to ROMPRES by the press department of the Christian and Democratic National Peasant Party [PNT-cd]. Such steps run counter to the principle of democracy, of freedom and of respect for fundamental human rights, the statement also reads.

The statement refers to the deployment of Soviet troops in Bessarabia without the accord of the Parliament and the Government of the Republic, as well as to the serious situation in Vilnius, the capital of Lithuania, where confrontation between the peaceful population and Soviet troops occurred resulting in casualties.

'New Imperialist Occupation' of Moldova Condemned

AU1401153591 Bucharest ROMPRES in English 1301 GMT 14 Jan 91

[Text] Bucharest, ROMPRES, 14/1/1991—The Party for the Country's Democratic Future [PVDT] issued a communique expressing its concern with "the explosive situation in the Gulf and the alarming situation in the seven sovereign republics of the Union of Soviet Socialist Republics".

It was pointed out that the party fully supported the patriotic stand of the leaders of Bessarabia, that is consistent with itself and had been recently re-assessed by Premier Mircea Druc in the United States. It refers to the territorial integrity, independence and sovereignty of the Republic of Moldova.

An appeal was launched to the political and non-political bodies in Romania and worldwide, to all well-meaning people to "join their efforts to avert the bloodshed provoked by a new imperialist occupation of the Republic of Moldova."

Opinion Poll Taken on Persian Gulf Conflict

AU1401200891 Bucharest ROMPRES in English 1516 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—Roughly half (49.7 per cent) of a 751-strong batch interviewed in Romania in connection with the situation in the Gulf by the opinion poll office "Dacia" think the conflict there will be settled by force. Approximately one third (30.6 per cent) consider that the mediation process between Iraq and the multi-national forces will continue after January 15. More than half (57.4 per cent) believe in Romania's neutrality in case of an armed conflict and 61.3 per cent are against the employment of Romanian military in actions outside the country. Only 17.9 per cent agree to that idea. Men between 18 and 40 years of age are against an armed conflict in a proportion of 73.2 per cent.

Asked how the conflict in the Gulf could be solved, 41.3 per cent of the subjects were for Iraq's unconditional withdrawal from Kuwait, 31.2 per cent for the calling of an international conference on the Gulf situation to mandatorily deal with the Palestinian issue as well and 13.2 per cent did not have any opinion.

President Iliescu Pays Official Visit to PRC

Arrives in Beijing, Meets Yang Shangkun

AU1401220491 Bucharest ROMPRES in English 2033 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—Romania's President Ion Iliescu arrived in Beijing Monday at noon on an official visit at the invitation of the president of the People's Republic of China, Yang Shangkun. Romania's president is accompanied by a team of officials among whom Minister of National Defence General Victor Stanculescu, presidential councillors.

The official programme started with a round of talks between Romania's and China's presidents, held at the Parliament Palace, attended on both sides by a large number of officials. Also there the official reception ceremony took place in keeping with the protocol for heads of state which included the playing of national anthems and the report of the guard of honour.

At the beginning of the talks, in the presence of many journalists, President Yang Shangkun welcomed President Iliescu on behalf of China's leaders, emphasising

the importance of that visit for the development of the relations of collaboration between Bucharest and Beijing. In the current conditions, the president showed, China wishes to expand these relations which he qualified as long and friendly.

Bilateral Relations Discussed

AU1401220591 Bucharest ROMPRES in English 2101 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—Your visit to Beijing is both necessary and useful for the development of the collaboration between Romania and China, stated President Yang Shangkun in his address to President Iliescu on the first meeting between the two heads of state at the Palace of the People's National Congress Monday evening.

This opportunity was used to better know the reality in the two countries through comprehensive mutual information. Mr. Ion Iliescu presented the Chinese officials the events having taken place in Romania, the changes the December revolution made possible, the results in setting up the new democratic structures and the economic reform, in solving the social problems. Reference was made to the difficulties confronting Romania in this period, to the conviction that the promotion of a policy of openness, of active and efficient collaboration with the countries on all continents could contribute to overpassing the existing difficulties.

In his turn, President Yang Shangkun referred to the current Chinese issues, insisting upon those issues linked with the collaboration with Romania. The conditions of the collaboration between Romania and the People's Republic of China have changed, the Chinese president underscored, but the changes do not affect the terms of that collaboration.

The confidence in the existing possibilities for closer ties, useful for both countries, characterized the talks between the Romanian and Chinese presidents which continued during the official dinner given by the hosts.

President Ion Iliescu was assisted by Minister Victor Stanculescu, by the experts accompanying him. For China, the attendance included Chen Muhua, vice-chairman of the Standing Committee of the People's National Congress, Minister Yeng Xianlin, other officials.

Further on Visit

For PRC reportage on the visit by President Ion Iliescu to the PRC, including reports on talks between Iliescu and PRC President Yang Shangkun and Premier Li Peng, see the East Europe section of the 14 January China DAILY REPORT and subsequent issues.

Civic Alliance Concludes Vigil in Bucharest

AU1401220391 Bucharest ROMPRES in English 2042 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—On Sunday at 17.00 hours, in the Revolution Square, the Civic Alliance concluded its vigil of solidarity with the workers and inhabitants of Timisoara, started two days before and recommended the participants to return to their homes.

It is quite obvious, the Civic Alliance's communique reads, that it declines any responsibility for what happened after the aforementioned hour.

Antigovernment Rally Held in Bucharest 14 Jan

AU1401215091 Bucharest ROMPRES in English 2049 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—Monday afternoon, in the Revolution Square in Bucharest, several tens of persons gathered and chanted anti-presidential, anti-governmental slogans and against the Senate's president as well as pro-monarchist slogans. At about 17.15 hours [1515 GMT] the number of the protesters decreased, the remaining participants being in small groups and discussing about the current political situation.

AFP Photographer Injured in 12 Jan Rally

AU1401221791 Bucharest ROMPRES in English 1940 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—In a story referring to the police intervention against the demonstrators who had occupied University Square, sent on January 12, 1991 from Bucharest by the [AGENCE] FRANCE PRESSE [AFP] correspondents, they stated that Mr. Andrei Iliescu, photographer with that agency, has been hit "savagely" and that "several fractures" had been inflicted on him.

After checking the information, the press office of the Interior Ministry specifies the following in a communique sent to ROMPRES:

On the evening of January 12, following investigations at the Bucharest Emergency Hospital Mr. Andrei Iliescu was found to have suffered several facial contusions, and as no internal lesions or bone fractures were found he was not admitted to the hospital but was allowed to go home. He was invited to file a complaint so the case could be investigated and the necessary legal measures taken.

The Interior Ministry reserves its decision to always carry out its duties to guarantee the freedom of the media.

Foreign Journalists Demand Protection

AU1401233691 Bucharest ROMPRES in English 2144 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—The chairman of the Association of Foreign Correspondents in Romania, Gian Marco Venier, met on Sunday morning with Mr. Adrian Dohotaru, undersecretary of state at the Foreign Affairs Ministry.

The chairman of the Foreign Correspondents Association voiced his grief to this exponent of the government in connection with the acts of violence during the Saturday and Sunday events in Bucharest to which foreign journalists fell victims, as well as his concern over a possible recurrence of such incidents.

During the interview the possibility was examined that the foreign journalists, photographers and cameramen wear a distinct sign, visible at night as well, to identify those in the area of possible disorders for professional reasons.

Mr. Undersecretary of State Adrian Dohotaru gave firm assurance as regards a fast implementation of that proposal.

The chairman of the Foreign Correspondents Association insistently ask all colleagues finding themselves in similar situations immediately to identify themselves as journalists.

Timisoara Students End General Strike 14 Jan

AU1401234591 Bucharest ROMPRES in English 2107 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—On Monday over 25,000 students of the Timisoara University started attending lectures again. Lecture rooms and laboratories were full again.

Also on Monday, the Convention of the Timisoara Student Organization released a press communique announcing the cessation of the general strike.

PNT-cd's Coposu on Current National Situation

AU1401230191 Bucharest ROMPRES in English 1636 GMT 14 Jan 91

[Report on interview with National Peasant Party Leader Corneliu Coposu by unidentified reporter; place and date not given]

[Text] Bucharest ROMPRES, 14/1/1991—"1991 must bring us the restoration of the country's situation to normal by ending interethnic, inter-religious and inter-social confrontations, must bring us the truth about the events subsequent to 22 December 1989 which have been concealed from the public eye. We expect it to bring us the abolition of the violent commandos and of the centralised media intoxication and slandering system operated by the FSN [National Salvation Front] in cooperation with the old administrative and repressive structures, the compliance with the minimum requirements for our reintegration in Europe as settled by the European Parliament, the CSCE and the international financial and crediting institutions," said Christian-Democratic National Peasant Party [PNT-cd] President Corneliu Coposu to a ROMPRES editor.

"As long as the Romanian economy, in a total collapse and almost bankrupt, requires restructuring through modern technology, what we need now is large foreign investments that can only be attracted by a stable and credible government. But as the present political power is incapable to attain such goals, it is logically imperative to form a government of independent technocrats, accepted by all political parties, apt to guarantee absolutely free elections, unpolluted by violence and misinformation. The only way out of this deadlock, as I see it, is the acceptance of a radical reform of the executive power and the consensus of all political factors for a stable and dependable government enjoying the support of all the parties. I think this step should be taken before embarking on the second phase of price liberalisation, which may cause among the population explosive dissatisfaction hard to control. I think that all those concerned with the country's capital interests should contribute to bring it to an acceptable economic, social and political standard apt to help us surmount the serious blockage the country is confronted with.

Speaking of the course of action to be taken by the convention for democracy, concluded among six parties—PNL [National Liberal Party], PNT-cd, UDMR [Democratic Association of Hungarians in Romania], PSD [Social Democratic Party], the Ecological Movement and the Ecological Party—Mr. Coposu specified that other opposition parties are seeking to join it and said that the opposition movement could not consolidate without the association of the independent leagues, students' leagues, intellectual groups and without the help of the fee trade unions. "The convention envisages a conference of its constituent parties for the end of January with the aim of deciding on the priority actions to be taken jointly and is also contemplating a prospective contact with the already established central body of the 40 county antitotalitarian fora. Meanwhile the convention continues negotiations with the leading bodies of the free trade unions. Following the agreement to be reached, the convention will seek a dialogue with the political power."

Asked to give his opinion on Romania's form of government, Mr. Coposu said: "Although in our view the abolition of monarchy was an abuse—devoid of juridical bases and lacking popular consent, an illegal act of the communist dictatorship, null and void—however, considering the long lapse of time since then, we consider that the form of government can only be established through a referendum reflecting the will of the people. But such a referendum must be conducted by an independent government, after historical truth had been duly

brought to light, purified of the communist epoch distortions. A correct information about historic events will most likely be apt to set a new balance among the Romanian people's options. Anyway, the PNT-cd, which shares democratic convictions, will consider the Romanian people's choice as reigning supreme.

Relative to his party's international relations, Mr. Coposu mentioned its having joined the Christian-Democratic International ever since February, 1987 and its participation in the last year's international congress In Brussels. "In our opinion," he said, "the Christian-Democratic International is the choice of the future for all the civilised world and the year 2000 will find it at the top of the other cosmopolitan movements." The National Peasant leader also mentioned that "formalities are in progress for his party's adherence to the European Christian-Democratic Union and to the Central and East European International, whose conference is to be held next month at Bratislava. "We maintain contacts with all western Christian-Democratic parties and with a large number of parties of similar leaning in South-America and on other continents, links that we intend to strengthen. We have also scheduled a conference with the German Christian Democratic Party. The PNT-cd has also established links with the populist and agrarian parties in eastern and western Europe and is close to strike a cooperation agreement with the Christian Democratic parties in Russia and Ukraine with which we have had a first contact. We believe that close relationships with Christian Democratic parties will be beneficial not only to our party, but to Romania as a whole, through the concrete support by which they could help us out of the present economic standstill. As part of our international relations, we are already sending and receiving delegations, applying for scholarships and documentation trips for peasants and workers (in France, Italy, Austria, for the time being)".

In his interview with ROMPRES, Mr. Coposu did not overlook the "emotion" with which his party welcomed the call of the People's Front of Moldova to the Romanian citizens to adopt Moldova's citizenship as additional to theirs and to recall the moral and material support (consisting of Latin character printing press, printing devices, propaganda material) granted to Moldovans by "wealthy Romanians residing in the West" upon the call of his party ever since Ceausescu's time. "We are convinced that the hardships our brothers across the Prut encounter will be overcome and that the Republic of Moldova will achieve its independence.

Senate-Government Disagree on Price Liberalization

AU1401233591 Bucharest ROMPRES in English 2107 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—On Monday, January 14, in the Senate's plenary meeting, Mr. Alexandru Barladeanu, president of the Senate, asked the government for an answer as to why it had changed the date of the passage to the second stage of prices liberalisation to April 1, 1991, as it can be seen in the draft budget for 1991 which had been forwarded to the Senate for approval.

Referring to the government's programme of price liberalisation, and especially to the dates it had advanced and the subsequent modifications thereof, Mr. Barladeanu appreciated the government's activity as being marked by touches of amateurism and dilettantism. Mr. Barladeanu has the agreement of the Senate to address the government in this matter.

During the same meeting Mr. Barladeanu announced that the Senate's permanent bureau was preparing an answer to the government communique released several days ago, which accused the Senate's president and the speaker of the Assembly of Deputies of failing to finalise in due time the report on the June 13-15 Bucharest incidents and the results thereof on an international scale for Romania. Mr. Barladeanu underscored that the answer was not meant to create divergencies between the legislative and the executive, and hereby suggested to the Senate that it be forwarded to Romania's president after his return from the Asian tour.

Senate Examines Bill on Land Stock 11 Jan

AU1101201691 Bucharest ROMPRES in English 1847 GMT 11 Jan 91

[Text] Bucharest ROMPRES, 11/1/1991—Resuming the talks on the land bill, Friday, the senators agreed on the cancellation of Chapter 8, referring to "land cadastre and building advertising," that counts 30 articles. One of the arguments for this decision was that no law could include another law. A new cadastre law will have to be adopted, establishing a unified recording system, adapted to modern condition. The representatives of the government agreed to the decision. It was established that in less than 30 days' time the Parliament should be forwarded the cadastre bill. Discussions continued, starting from Article 102. The Senate will probably pass this important law in the days to come.

Friday, 11 January, the Romanian Senate continued the debates on the land bill, on which the first 110 articles have been validated.

By the end of next week the Senate contemplates to end debates on the land bill which, in its initial form, consisted of 123 articles and 3 appendixes. As the chairman of the constitutional commission duly pointed out today, the most delicate phase is yet to follow, when the text resulted from the two chambers of the Parliament will have to be moulded into a final version.

Deputies' Assembly Views Tirgu Mures Events

AU1401233791 Bucharest ROMPRES in English 2002 GMT 14 Jan 91

[Text] The Assembly of Deputies resumed its proceedings on Monday afternoon.

The agenda of the week stretching over 14-18 January was examined and approved. Mr. Dan Martian, speaker of the chamber, informed about the activity of the parliamentary commissions inquiring into the events in Tirgu Mures last spring and the 13-15 June 1990 events. He said that the commission that inquired into the events in Tirgu Mures had drafted its report. As for the activity of the parliamentary commission inquiring into the 13-15 June events Mr. Dan Martian said that the subcommissions, just as the commission as a whole worked very hard, heard a lot of people. That is why a lot of material was gathered, he stressed, which has to be evaluated. At this moment the commission is in a position to draft a pre-report which will be sent in due time to the Council of Europe included. There still are aspects on which the points of view of the deputies representing the majority party differ from those of the opposition deputies. This is the reason why the pre-report might contain both points of view. For a better clarification of things, the speaker of the Chamber of Deputies, the president of the Senate, the standing bureau of the commission and the leaders of the parliamentary groups will meet on Monday evening to discuss certain questions apt to break the deadlock reached so that the pre-report could be finalized.

Next, the Assembly of Deputies approved this week's agenda which includes the continuation of debates on the land bill.

TAROM Resumes Domestic Flights 14 Jan

AU1401230091 Bucharest ROMPRES in English 1714 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—"TAROM" internal flights were resumed on Monday, January 14, when, owing to the few requests from passengers, they were coupled to nearby destinations. So, for instance, "TAROM" aircraft piloted by military personnel from "ROMAVIA" flew to Timisoara stopping over in Arad, to Oradea, stopping over in Baia Mare and to Tirgu Mures stopping over in Sibiu.

The "TAROM" personnel continue their strike which started on December 14 .

Opposition Demands Report on June 13-15 Events

AU1401233191 Bucharest ROMPRES in English 2102 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—A statement released by a group of senators and deputies, members of the parliamentarian commission investigating into the June 13-15, 1990 events, from the Ecological and Social Democratic Parliamentarian Group, as well as from the National Liberal Party, the Hungarian Democratic Union of Romania, the Christian and Democratic National Peasant Party and the ethnic minority group, mentions that "the report on the aforementioned events has not been completed due to obstructions in the investigation process mainly by the Ministry of the Interior, the Romanian Intelligence Service and the General Prosecutor's Office."

The group of parliamentarians evinces that "those institutions have delayed reports on the June 13 events, failed to make necessary inquests, and submitted no reports on the violent actions that took place on June 14 and 15." The position of those institutions, the statement reads, is telling of the tendency to hold miners as the only responsible for the June 14 and 15 actions.

The three aforementioned institutions are requested to send in their reports on the June 14 and 15, 1990 events not later than January 20, 1991.

Extraparliamentary Opposition Calls For Unity

AU1401221991 Bucharest ROMPRES in English 2048 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—The National Convention of the Extraparliamentary Opposition considers in a statement-appeal that the nation's interests require in the present moment the accomplishment of a common front of the non-parliamentary opposition to fight against the current state of things and calls all non-parliamentary political formations to join the convention.

The National Convention of the Extraparliamentary Opposition was founded by 14 non-parliamentary political formations aiming at organising common actions to contribute to the country's recovery.

PNT-cd President Delivers New Year's Message

AU1501094191 Bucharest DREPTATEA in Romanian 4 Jan 91 p 1

[New Year's message to the Romanian people by Mr. Corneliu Coposu, president of the National Peasant Christian Democratic Party (PNT-cd); date not given]

[Text] We hope that 1991 will bring much desired understanding, harmony, and brotherhood for our poor country and that the Romanian public will finally learn the truth about all things kept secret and find the long sought for solution, which has not yet come to pass.

We must hope that all interethnic confrontation will come to an end as well as all confrontation between social groups, which has been artificially incited by political rulers obsessed by the fear that they will lose power.

The Romanians, who experienced stormy events in 1990, deserve a little quiet.

Let us hope that this will happen, with God's help, in the new year.
Much health, calm, and peace!
A Happy New Year.

Government Restricts Gas, Diesel Oil Consumption

AU1401221691 Bucharest ROMPRES in English 2044 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—In consideration of difficulties in supply and of the raise in imported oil price Romania's Government decides that starting 15 January 1991 00.00 hours [2200 GMT] gasoline and diesel oil will be temporarily delivered as follows:

—private cars and cars belonging to state administration—40 liters per month;

—taxis—200 liters per month.

Quantities above these levels can be purchased unlimitedly at 100-per cent increased prices.

Government Airs Resolution on Autonomous Companies

AU1401222191 Bucharest ROMPRES in English 2011 GMT 14 Jan 91

[Text] Bucharest ROMPRES, 14/1/1991—Romania's Government has issued several resolutions signed by Prime Minister Petre Roman on the creation of such new autonomous companies as: "Petrom R.A." for oil, "Romgaz" Medias for natural gas, "Romcereal R.A.," of a number of joint-stock trading companies to provide for the farmers and for agricultural and food motor transport, as well as of "Rompetrol S.A.," the "Pharmaceutical Trading Company S.A." and some naval transport companies with an autonomous administration and share-holding society status.

Other similar normative acts were issued by the executive body in the social and cultural field. They include the foundation of an academic Baptist biblical institute in Oradea; the public transport fares in towns for exempted persons being covered from local budgets; and the creation of "Romania AZI S.A.," a trading company that replaces the "AZI Press Trust."

Newspapers Examine 1991 Budget Deficit

AU1401222091 Bucharest ROMPRES in English 1944 GMT 14 Jan 91

["1991 the Year Starts With a 37-Billion-Lei Budget Deficit"—ROMPRES headline]

[Text] Bucharest ROMPRES, 14/1/1991—The completion of the draft budget posed numerous difficulties arising from the current period of transition in the Romanian economy, Theodor Stolojan, minister of finance, told the newspaper "AZI."

To a large extent, the major difficulties were a result of the contradiction between economic activities and exports last year, with spending per product unit having increased in almost all producer units. All this put state's incomes roughly 100 billion lei below those planned.

Other difficulties originate in the current international political situation, the rapid growth in the oil price as an outcome of the events in the Gulf area, as well as the disintegration of foreign-trade and payment relations between the countries that formerly belonged to the CMEA.

The completion of the project rose other problems as well, such as that linked to a 37-billion-lei deficit, "AZI" also reads, however, it is difficult to assess the physical size of that deficit as long as the value of the gross domestic product has not been defined. A strictly worked out algorithm will show it does not exceed two per cent of that value.

The current deficit, the newspaper writes, is the logic expression of the modest results in the economy, along with the extensive demands for funds from the budget. The difference between these different and contrary values materializes in a 37-billion-lei deficit. Despite appearances, the result is natural in a transition period.

The newspaper considers that deep-going changes on a financial plane will occur this year as well. The most important will be the reduction of investment. Whereas in 1989 as many as 135 billion lei were allotted from the state budget—that is 47 per cent of budget spending—the amount of money earmarked in 1990 stood at 60 billion—20 per cent of the budget spending—and this year the sum to be allocated will amount to 31 billion lei—that is 12 per cent—with half of it going to the National Defence Ministry.

As for spending, the newspaper "ROMANIA LIBERA" writes in its turn, the large energy consumers should be considered. The Romanian economy may operate only if important imports of natural gas, bauxite and crude are maintained, imports that can be financially supported by massive exports. In order to preserve the proper operation of such a system, the newspaper shows, especially today when exports have dropped to half, Romania needs a substantial external financial support. However, such a loan used in the sphere of consumption would further deteriorate the desperate financial situation in the country. Restructuring seems to be the only solution.

In 1991, the newspaper opines, a package of laws on restructuring should be adopted. More precisely, the liberalization should be completed and steps should be taken towards social protection, an exchange rate closer to an equilibrium should be ensured along with the liberalization of wages in concordance with the price movement labour productivity, taxes on the wage founds of enterprises etc.

Despite a drop in the state budget there are substantial money resources, which could be used to finance investment. They are at the disposal of a number of economic agents that have more than 35 billion lei in banks. Furthermore, the population's deposits in the savings bank increased by 37 billion lei, while the money with the citizens increased by 12 billion lei.

*** Censorship by Romanian TV Condemned**

91BA0175B Bucharest ROMANIA LIBERA in Romanian 11 Dec 90 pp 1, 2

[Anton Uncu article: "No One Is Above the Law"]

[Text] In connection with what happened on Thursday evening at Romanian Television, government spokesman Mr. Bogdan Baltazar informed the public the next day, Friday evening, of the government's dissatisfaction that "the normal operation of the television and the normal and civilized broadcasting of scheduled programs of a broad national interest could be attacked with such defiance. Such acts of anarchy," Romania's Government stated through the voice of Mr. Bogdan Baltazar, "constitute an overt provocation to the entire country and all the televiewers," etc. Further on it stated that "the government, faithful to the principle of freedom of expression, believes that various views and opinions should be permitted to be expressed regardless of political color; at the same time, however, it believes that it is essential that the station, as a national institution, should operate legally, in an organized manner, and within a coordinated and coherent system. Along this line, we must reject anarchy and individual actions that reflect narrow interests, personal ambitions, a tendency to expiate and atone for the mistakes of the past," etc. And it requested resolute measures from the station management.

It is superfluous to explain here why we subscribe to all these healthy principles affirmed by the government, just as we subscribed to the great majority of the principles affirmed in the government program presented by Prime Minister Petre Roman. Except that the gap between declared principles and concrete actions that would impart them credibility and substance, is rather great.

Before going any further we want to ask the Romanian Government and Prime Minister Petre Roman which government meeting examined the communique of the "Transylvania" army signed by General Cheler, which constituted precisely this kind of act of anarchy and a provocation to the entire country which had sent its representatives to Alba Iulia on 1 December? Why did the government fail to show the same kind of promptness and sacred indignation about the threat to open fire on the participants in the anniversary of the Great Unification?

Mr. Prime Minister Petre Roman! Do you really not see what it means today to proffer threats of shooting? Do you really not see the difference between the action of the person who disrupted a TV program and Gen. Cheler's action? How is it possible that the government did not immediately call a special meeting to condemn such an act of rebellion by an army commander ready to open fire on citizens? Are we to believe that you agree with him? Are we to understand that the army will fire on citizens? Are these things in the spirit of the law and the principles that should govern a state of law?

So how do you expect us to still believe in the principles you affirm and to share your indignation about the fact that someone disrupted a TV program?

For months the Romanian TV has been abominably censoring the views of anyone who dares to tell Mr. Petre Roman on TV things he doesn't want to hear. Not only trade union leaders or bothersome journalists are subjected to such profoundly illegal consorship, but even Parliament members.... And, Mr. Prime Minister, you have not once had the idea of calling a government meeting to express your dissatisfaction with and indignation about such flagrant and repeated violations of the right to opinion that you vehemently affirmed through the voice of Mr. Bogdan Baltazar. Allow us to doubt the consistency of the line of behavior you proclaim as long as it is implemented in a discriminatory fashion. For you, Gen. Cheler's threat—which, if carried out, would have covered Alba Iulia in blood—and the systematic censorship practiced by the TV are less serious and damnable than the fact that a TV broadcast was interrupted by a representative of the TV free trade union who had been deprived of the right to express his views? Who may be allowed to violate the law or to use it for his own ends?

Mr. Bogdan Baltazar also told us about the illegal action of the drivers' trade union, "or at least those who signed their ultimatum," who requested the resignation of the government, when their business is to take care of pay or social demands, etc. This is all the more serious, we would say, since they were joined by trade unions incorporating several million members, whose representaties were democratically elected by secret ballot. Is this sample not representative either? Is it good or bad that the Romanian trade unions tend to become a politically self-motivated movement like Solidarity? Is it enough to say, the law doesn't allow you to deal in politics, for everything to be solved? The press is not responsible for what is happening. It is true that you have managed to create almost universal displeasure with the written media by raising the price of newsprint and printing expenses to absurd heights, but the man in the street is beginning to realize why the price of newspapers is rising and whom he should thank for that. However, such a measure cannot last. It is true that the government has managed to suborn the television in an unpermissible manner. But this cannot last either. Because as Mr. Bogdan Baltazar rightly said, the television actually belongs to all the televiewers who, as both subscribers and tax contributors to the national budget, are the genuine share-holders and patrons of the television. This statement is equally valid when the government spokesman condemns what happened at the television on Thursday evening, as when the television unconditionally puts itself at the service of the government, forgetting who its real patrons are.

Loncar Supports French Gulf Peace Initiative

LD1401223591 Belgrade TANJUG Domestic Service in Serbo-Croatian 2138 GMT 14 Jan 91

[Text] Belgrade, 14 Jan (TANJUG)—As the chairman of the Nonaligned Movement, Yugoslavia has been consulted on the latest French proposal on how to avert a war and to search for a political solution to the Gulf crisis, which should be submitted at a session of the Security Council in New York tonight. This was the topic of an exchange of views between French Foreign Minister Roland Dumas and Federal Secretary for Foreign Affairs Budimir Loncar.

The French peace proposal includes a demand for the withdrawal of the Iraqi troops from Kuwait, the stationing of Arab peace-making forces within Kuwait, and a proposal to hold an international conference on the Gulf and the Middle East.

Yugoslavia believes that the adoption of the French proposal by the Security Council can serve as a basis for a peaceful and political settlement of the crisis. This initiative is in accordance with the stances and efforts of the nonaligned countries on the need for peaceful resolution of all crises and is supported by Yugoslavia as the Nonaligned Movement chairman.

Federal Secretary for Foreign Affairs Budimir Loncar informed French Foreign Minister Dumas, with whom he has been in constant telephone contact, of the Yugoslav support for the French proposal. The Federal secretary has had telephone contacts with other politicians, including the PLO leadership.

Slovenia Inquiry Into Iraqi 'Agents' Activity

LD1401170491 Belgrade TANJUG in English 1524 GMT 14 Jan 91

[Text] Ljubljana, January 14 (TANJUG)—The Presidency of the Republic of Slovenia on Monday asked the state Presidency of Yugoslavia for an official inquiry in competent federal bodies to establish whether the JORDAN TIMES's claim that 50 agents of Saddam Husayn—experts in sabotage had gone to the west through Yugoslavia, was correct.

In the Presidency's opinion, this claim may have far-reaching political consequences. If not true, it should at once be categorically denied. Otherwise, the Republic of Slovenia Presidency demands that all circumstances of the case be explained and responsible bodies and individuals called to account.

Slovenia's Jansa on Lithuanian Events, Slovenia

AU1401174591 Ljubljana Radio Slovenia Network in Slovene 1430 GMT 14 Jan 91

[Interview with Janez Jansa, republican secretary for national defense of Slovenia, by Robert Skarjanc; place and date not given—live or recorded]

[Text] [Skarjanc] The intervention of the Soviet Government in Lithuania offers some parallels with Yugoslavia. Do you think that the events in Lithuania represent a kind of green light to our Army?

[Jansa] Well, there is a fear that, in the shadow of the Gulf crisis and the Soviet occupation—the second Soviet occupation of Lithuania, somebody may take advantage of that moment for military [word indistinct] in Yugoslavia. Unfortunately, I must say that this fear is not completely unjustified and that in the coming days we may expect some aggravation in connection with the SFRY Presidency order on disarmament and protection of citizens, under quotation marks. There are certain signals that some measures are also being taken in Slovenia in that respect.

[Skarjanc] Has the Republican Executive Council made any new decisions in connection with both Lithuania and the SFRY Presidency's order?

[Jansa] The Executive Council, that is, respective organs in Slovenia, and I above all mean the Republican Presidency, which has the greatest authority there, were prepared for such an order as early as in December. Because this order was first proposed at the SFRY Presidency session then, although the issue was not included into the agenda that time, these measures have been prepared.

One should say that, in case somebody wanted to implement the Lithuanian formula in our country, we above all reckon with our own forces, because, as we have seen, the reaction of the world public, despite being very harsh, is mostly verbal. However, we have assurances that in case something like that is attempted in Slovenia or in Croatia, the world public would react extremely harshly. The question is [Jansa corrects himself] I am convinced that we would be able to physically oppose that by using our own forces.

Well, therein also lies one of the essential differences between Slovenia and Lithuania, because Slovenia is a state with its own defense forces and measures prepared in case somebody wanted to have this Lithuanian event here.

1991 Trade Agreement Signed With USSR

AU1401220191 Belgrade Domestic Service in Serbo-Croatian 1800 GMT 14 Jan 91

[Text] The Yugoslav and Soviet Governments' signed a trade agreement for this year in Belgrade. The volume of

trade should reach $3.2 billion and the payments for goods and services will be made in a convertible currency for the first time.

Considering the fact that the Soviet republics and regions, and particularly enterprises, were given the right to make business deals with foreign firms themselves, it is expected that in addition to this interstate agreement there will be other great chances to expand cooperation, which will benefit both countries.

Markovic Interviewed on Federal Reforms

AU1101105391 Belgrade BORBA in Serbo-Croatian 31 Dec 90, 1-2 Jan 91 pp 2, 3

["Exclusive" interview with Ante Markovic, president of the Federal Executive Council, by Dara Vucinic and Djoko Kesic in the SFRY Assembly on 29 December: "Only Reforms Facilitate a Peaceful Denouement in Yugoslavia"—first two paragraphs are BORBA introduction]

[Excerpts] Yugoslav Prime Minister Markovic granted this interview to our paper at the last minute, so to speak, for it to appear in this last issue of the old and the first issue of the new year. The interview was promised much earlier, but it was postponed several times "owing" to the dramatic events in our country in the last 15 days or so, when the plot and denouement could have gone one way or another, when they could have been unforeseen or undesirable, and when the chances for one thing or another to happen were changing not from day to day, but literally from hour to hour. Therefore, BORBA's questions and Prime Minister Markovic's answers had "to wait" in order to be topical when stated or published.

This is why our first question to Ante Markovic, at the end of the Saturday session of both chambers of the SFRY Assembly, which he closely followed, was put in the following way:

[BORBA] Yugoslavia has been awaiting with great interest your speech, that is, the denouement of the last few fairly dramatic days, including everything that had happened in the SFRY Presidency and the federal government. It would be interesting to hear whether you think that the federal government has come out of this perhaps fateful and dramatic situation stronger or possibly weaker.

[Markovic] The question could be put that way, but I would formulate it in this way: After everything that has happened recently—when great attacks were launched on the reform, when there was pressure that in fact led to the erosion of our society in all of its segments in which, if I may use your way of thinking and say that this also concerns the Federal Executive Council [FEC] bothered in this respect. [sentence as published] I think that everything that has happened recently and the approach adopted by the FEC in this respect illustrate, in fact, that there is enough reason and rational thinking that would enable reforms to win and gain in strength. This is how I see things. Did the FEC come out of it stronger or weaker? It is certain that if the reforms were given a chance to flourish, than those who proposed them could be said to have gained too. [passage omitted]

[BORBA] In your speech yesterday you mentioned two undesirable options: an emergency situation and a civil war. Do you think that they have been eliminated today as a possibility or only postponed?

[Markovic] You know, until we resolve all the contradictions in our society these threats will be present. I did not mention these options because I intended to frighten somebody, nor because I expect something like that to happen. On the contrary. My intention was to warn our public and our citizens that, if things carry on the way they have been—which is chaos and anarchy—if this erosion continues, and if this leads to a paralysis of all functions; then other means, that is, the use of force to maintain order, will quite logically impose themselves. I even think that our citizens would then perhaps want peace to be attained in this way. Therefore, we are warning that this must not happen. Therefore, let us ensure the least necessary functioning of the system that will prevent things that we do not want to become not only a real option but also a popular request. However, I think that chances of this happening are today incomparably less than they were yesterday.

[BORBA] Do you believe that the political agreement that has been reached in political and other circles of the state that the decisions on coexistence or a dissolution of Yugoslavia will be made in the parliament is a sufficient guarantee for this?

[Markovic] I would not say that a consensus has been reached. What has been achieved here and there in the assembly is a readiness to accept the minimum that is necessary for coexistence and the functioning of the state in a transitional period which would enable us to reach this consensus. It remains to be seen whether an agreement will be reached. [passage omitted]

[BORBA] The plebiscite in Slovenia and the adoption of constitutions in Serbia and Croatia have created preconditions for independence, that is, secession of these (or other) republics at some point in the future. What is your view in connection with this?

[Markovic] We hold the view that all options must remain open and possible. The presupposition to finding the right solution is not to anathematize any option. If people, freed from the anathema of some solutions and some taboos that have always been present in our country, could on the basis of this think, talk, and make decisions in a rational rather than an emotional way, then everything that has been happening with the plebiscite and both constitutions would not have to be anything definitive concerning the future relations in the country. On the other hand, I think that it is clear to everybody—it certainly is to us in the FEC, and thus we do not want to be caught in the federation-confederation trap—that the answer to what kind of community we

want is yet to emerge as a result of changes in the system that we are building. The result of a future agreement will be what it will be, and not something determined in advance. Taking this dilemma out of the agenda is now making more room and possibilities for a future agreement.

What is also evident is that the future Yugoslavia will be formed in a dynamic way. We think that it will even last many years and that it be will done in stages. We should not be too concerned about more elements of one thing being present in one stage than elements of another. We think that in the process of developing a new system, which we are in favor—and we said at the beginning, at least I said, that we will need at least five years to develop this system—we will not be able to find a definite solution earlier.

[BORBA] Could two different social concepts based on property relations function in the same state, and how can they be reconciled?

[Markovic] This is not simple but it is not impossible either. [passage omitted]

[BORBA] It would be a pity to conclude this conversation without an explanation of what you said on Ljubljana Television about the danger for Yugoslavia, following the events and changes in East Europe, being transformed into a buffer zone for the West. It would be interesting to hear your explanation.

[Markovic] I did not say this accidentally and the elaboration of this thesis would require a deep analysis. The fact is, however, that all former socialist countries have entered the process of changes, and that all of them, except Yugoslavia, have started with changes in the political system. Changes in the political system do not solve anything except substituting one party with another party, or with a coalition of several parties. In fact, until the system itself and the structure on which it is based change, these changes will be producing exactly the same relations that existed before, in the previous systems. These countries, therefore, are facing major changes and a switchover from one system to another. They are all at the beginning of the very beginning. This is why this process in these countries is going to last a long time.

The years that they are entering are such that one system is experiencing a general disintegration and erosion—this is already being demonstrated, and in some neighboring countries this is already evident. Everything is coming to a halt. Even the countries rich with food are suddenly finding themselves without food. In such a crisis situation one should not only change the system itself but also the structure within it, and even the structure of the economy. This structure is built on a closed market. It suited such a market but does not suit the present, different, open market. Not much of this structure is suitable. For all this they need an enormous amount of time and a huge number of resources. As soon as freedoms are acquired, you know, borders open and everybody wants to immediately live like the developed world. And this world has already been through all this, it has built for itself a material basis for such a life. Therefore, it is not excluded, in fact it is very probable, that the crisis in some of these countries will end in the way nobody wants.

Therefore, I think that it is not illogical that one of the possible solutions will be the one that you mentioned: Namely that there will be, above all, a great migration from the East to the West for economic reasons. This awareness is now present in the developed Western countries that are now seriously concerned about that. From some concrete talks I conducted my impression is that they are somehow afraid. Some of them would now gladly erect the iron curtain again to protect themselves. There were even thoughts that it would be good to create some kind of a buffer zone which would act as a shock absorber. Nobody mentioned Yugoslavia, but if it comes to a buffer zone, then one knows that we would make up part of that buffer zone. However, we say no, we will be nobody's buffer. We will not allow anybody to assign us this role. [passage omitted]

[The following passage appears boxed within the body of the item]

How Much Power Should Be Given to the Government

[BORBA] In some communes the "decisionmaking factors" reproach you for demanding too much power, and do not support your program, at least where this aspect is concerned. Are there any grounds for this criticism?

[Markovic] We are not resisting decentralization. In fact, by implementing the program of reforms in the country, our government has carried out extensive deregulations and through this, actually, extensively decentralized many functions. We decentralized and abolished the state's interference in the economy, its rights to manage economic entities, control prices, currency, relations with other countries, development, economic problems, the organization of certain entities, and so forth, that we do not want to deal with.

On the other hand, all the necessary conditions for the functioning of a modern society organized on the principles of the market economy, a law-governed state, and a multi-party system—which also contains within itself the need for certain macroeconomic policies to exist at the level of the country as a whole, such as the monetary and fiscal policy, the system of economic relations with other countries, to say nothing about the classic systems of the state, such as foreign affairs, the army and so forth—require of course, certain concentration and clearer definition of these policies at the level of the country as a whole.

We Are Lacking $2.5 Billion

[BORBA] The need to restructure the economy is, of course, not denied by anybody. However, we have not made great progress since the beginning.

[Markovic] Next year we must invest enormous efforts in order to reform our society, rescue our banking system, rescue the economy in every part of the country, to build new institutions, and so forth. We are experiencing a fall in production and the social product which is a logical consequence of reforms. Next year we will have to repay debts worth $4.2 billion. If we had $2-$2.5 billion we could speed up the process of developing the new economic structure in Yugoslavia. [passage omitted]

Devaluation and Political Pressure

[BORBA] To what extent is the devaluation of the dinar a result of political pressure, and to what extent is it a result of real economic imbalances and needs? Many firms and businessmen have recently been saying that the dinar should not be devalued.

[Markovic] Let us understand each other, there are enough citizens of this country who would be absolutely in favor of the currency remaining as it was; that is, not to be devalued. But what was essential, you know, in influencing the stand of the FEC, and my personal stand too, was that I could not be forced to abandon the reform and my convictions and what represents, I would say, a consistent concept of a program through political pressures. [passage omitted]

There Will Be No Change in Current Production

[BORBA] Many people, including some economic experts, sharply criticized you for the fall in production this year and consider this to be the best proof that your reforms have failed.

[Markovic] I do not believe that any real economist-expert who knows this subject would criticize the sharp fall in production in such a situation. Nobody in the world has succeeded in stabilizing the economy through a rise in production. This is simply incompatible, because if the economy were able to stabilize itself without changes, then it would not need changes.

A fall in production is therefore a completely normal, logical consequence of all reform programs, especially the anti-inflationary program. This is because the implementation of this program is primarily a market character, meaning the elimination of that part of the production sector that is not capable of surviving in the market.

I think that the fall in production is even smaller than the structure of our economy and its adaptation to new conditions demand. This partly stems from the fact that our economy is more able to adapt itself than some other economies, or the economies of any other socialist countries; but, on the other hand, resistance to such changes is very great. With our macroeconomic policies we are capable of maintaining the models which facilitate both a convertible currency and a low level of inflation. The main cause of the pressure to stop the process of reforms and for the negation of the macroeconomic policy which has the anti-inflationary character are political reasons and changes in the political system. There are clashes between the micro and macroeconomy. I spoke about that in detail in my speech. [passage omitted]

Markovic on Current Political Situation

AU1101220991 Vienna ORF Television Network in German 2100 GMT 11 Jan 91

[Interview with Ante Markovic, president of the Federal Executive Counci, by Gerhard Seifried; place and date not given—recorded; Markovic statements in Serbo-Croation with superimposed German translation]

[Text] [Markovic] We are now at the climax of the crisis that has developed as a result of the transition from one system to the other. What you mentioned before—what is happening now in Slovenia, Croatia, Kosovo, and Knin—is only part of a process, the stage of a process that one has to get through. One cannot skip that. I think that at the end of this year Yugoslavia will be much closer to Europe than at the beginning of the year. I personally think that this process of change, which we are influencing and also partly administering, is a chance that this stage of transition will be taking place without extreme escalations—that is, also without any use of force.

[Seifried] The Slovene Government has promised to close down the nuclear power plant in Krsko by 1995. On the other hand, in view of the current energy situation, this nuclear power plant is almost indispensable for Slovenia and Croatia. What is to happen with the Krsko Nuclear Power Plant against the background of the current discussion?

[Markovic] The Krsko Nuclear Power Plant is owned by two economic enterprises in Slovenia and Croatia and a decision would have to be made jointly. Yugoslavia does not have a sufficient amount of energy sources. I do not think that it is realistic to close the Krsko plant in five years.

Party Supports Presidency on 'Illegal Formations'

LD1401011191 Belgrade TANJUG in English 1829 GMT 13 Jan 91

[Text] Belgrade, January 13 (TANJUG)—The leadership of the League of Communists-Movement for Yugoslavia today announced it was lending "full support to the federal state presidency that illegal formations be disarmed within the ordered period and that weapons be handed over to the competent organs of the Yugoslav People's Army without resistance."

The Yugoslav State Presidency recently ordered that weapons be returned by January 19.

The League of Communists-Movement for Yugoslavia, a party which has been joined by quite a number of retired and active generals, held a session yesterday, at which it

warned that "a danger of civil war looms over Yugoslavia because of the illegal bringing in of weapons (into the country) and the forming of armed formations in (Yugoslav) republics."

The League of Communists-Movement for Yugoslavia, popularly called the "Generals' Party," urged that Yugoslavia continue as a federal and socialist state. The party activists include federal defense secretary, General Veljko Kadijevic, deputy federal defense secretary, Admiral Stane Brovet, and chief of the general staff, General Blagoje Adzic.

The political preparations in Croatia for resisting the Yugoslav State Presidency's order on the turning in of weapons could have disastrous consequences, the leadership of the League of Communists-Movement for Yugoslavia warned.

It appealed on all the citizens of the republic committed to peace and democracy in Yugoslavia to "fully respect the legal and legitimate decisions of the Yugoslav Presidency."

Croatia accepts the Yugoslav Presidency's order only if it relates to the armed formations of Serbs in a part of Croatia, where, as a majority population, they recently declared Krajina an autonomous region with its own police. Even in that event, Croatia insists that the disarmament be entrusted to its security forces, and not to the Yugoslav Army.

The Yugoslav Presidency did not specify who the order applies to, but the Belgrade press reports that Croatia and Slovenia have armed their territorial defences and members of their ruling political parties with illegally imported weapons.

In its statement, the League of Communists-Movement for Yugoslavia requested that "all decisions of republican and other organs which run contrary to the federal constitution" most urgently be invalidated.

The party considers that the talks on the future organization of the country should be led "publicly in all federal institutions, before the public of the entire country." In the talks, all sides must respect "the expressed will of the Yugoslav peoples to continue living in their common homeland, Yugoslavia," it underlined.

At the recent session of the Federal Presidency, which was also attended by the republican leaders, it was decided that inter-republican (bilateral) talks also be held on the issue.

The republics are divided over the question of the future organization of the country, with Slovenia and Croatia the loudest champions of a confederation, and Serbia of a federation.

A plebiscite was held in Slovenia on December 23 in which more than 90 percent of the electorate voted in favour of the republic's independence and autonomy.

The other nations have not vote on their republics' organization and status.

Presidency Republics Meeting Called 'Tolerant'

LD1101233591 Belgrade TANJUG in English 1852 GMT 11 Jan 91

[Text] Skopje, January 11 (TANJUG)—Yugoslav State Presidency member from the Republic of Macedonia Vasil Tupurkovski said today that the session the Presidency held yesterday with the presidents of all Yugoslav republics was characterized by a "tolerant tone."

Tupurkovski said in a statement to Skopje radio that the "wish was expressed" at the session for an accord on Yugoslavia's future.

Tupurkovski said that Federal Prime Minister Ante Markovic was initially not invited to the session, and that he came only after it was specifically requested that he attend.

Tupurkovski did not specify why the federal prime minister was not invited from the start, but assessed that the fact could have "serious implications," especially after the straining of relations between the federal government and the Republic of Serbia which has allegedly borrowed money from the primary issue without authorization.

Tupurkovksi, Macedonia's representative in the Yugoslav State Presidency, said that the conclusion "cannot be avoided" that a Yugoslav accord is being built around the Serbia-Croatia-Slovenia "axis."

Tupurkovski explained that Serbia, the largest republic, and Slovenia and Croatia, the most highly developed ones, could in relation to the other Yugoslav republics build "a solid position."

Republic of Macedonia Presidency President Vladimir Mitkov said at yesterday's session that Macedonia wanted to be a sovereign and independent republic, as reported in the republican capital of Skopje today.

Mitkov said that Macedonia [word indistinct] "autonomously taking decisions at the Yugoslav level," as it did also on its right to secession from Yugoslavia.

Slovene Leader on Independence, Monetary System

LD1201194191 Belgrade TANJUG Domestic Service in Serbo-Croatian 1051 GMT 11 Jan 91

[Excerpts] Ljubljana, 11 Jan (TANJUG)—"Now is not the time for words, but for deliberation, efficient action, and correct moves. We are facing the critical and key phase of the Slovene independence process. The Serbian incursion into Yugoslavia's monetary system basically changes nothing—neither the Slovene strategy nor its firm and clear resolve that Slovenia should become completely independent as soon as possible," Lojze Peterle, president of the Slovene Executive Council,

stated at today's emergency session of all three chambers of the Slovene Assembly. There is only one item on the agenda: Slovene measures for the regulation of the economic relations in Yugoslavia.

According to Peterle: "It will only substantially accelerate, that is, change the pace, of the entire independence process, which requires discipline and tolerance. The Slovene Executive Council is firm in its belief that law without power is weak, and power without law is tyrannical." It is a responsible and difficult task to prepare and pass key systemic laws necessary for an independent and sovereign parliamentary Slovene state, Peterle said. The Slovene Government holds that key systemic laws about nationality, the organization of state administration, social affairs, the right of foreigners to possess real estate, the legal status of foreigners, in the field of national defense, about the National Bank of Slovenia as the primary money issue bank, and other necessary laws, should be drafted as soon as possible. The cornerstone of the economic policy remains unchanged. Claims that the government is not acting in line with the adopted orientations and that the government is responsible for economic problems that will accompany independence are unfounded, said Peterle.

The main feature of the economic policy will be pragmatism, Peterle said, adding that it is obvious that the Slovene economy will operate under completely uncertain conditions and that it will have constantly to adapt to political decisions. "The only certain thing is that the independence process will deepen the inevitable economic crisis," Peterle cautioned. The government will try to minimize negative effects of the crisis. Through its measures, the government will attempt to alleviate direct and indirect economic and social consequences of the disintegration of socialist economy, part of which includes the Slovene economy—in order to increase positive and reduce negative effects of the independence process.

"Although the plebiscite paved the way for the speedy creation of our economic and political system, negative effects of the loss of a market and the blockade on the part of the federal government and international financial institutions can not be overcome easily," Peterle warned.

"To claim that the open incursion in the Yugoslavia's monetary system did not come as a surprise for the Slovene government would be senseless," Peterle added: He noted "the Slovene government, together with the National Bank of Slovenia, started to work on a monetary policy that will neutralize effects of redistribution. Following improvement in the liquidity, the government intends to affirm measures aimed at preventing harmful consequences of a new wave of hyperinflation which will be caused by the incursion."

The future monetary policy will have only one objective: convertibility of Slovene currency, which means that the currency has to be pegged to hard currency. The Slovene government will persist in this.

Peterle informed deputies that the Slovene government has drafted laws which enable the creation of Slovene institutions such as the Slovene Central Bank apart from overseeing that the Slovene currency is hard currency. These institutions will immediately procede with the financial recovery of the banking system. Slovenia, according to Peterle, intends to introduce its currency gradually and solely through foreign currency transactions.

The government is calculating that about a 30 percent reduction in costs per product unit will be necessary for the successful implementation and reaffirmation of a sound economic system with hard currency, which implies the same reduction in the buying power abroad and a fall in the standard of living. [passage omitted]

According to Peterle, acting in the field of the economic policy, the government will create an economic system that will be similar to the economic systems in market economies and which will ensure such a policy.

As for Slovenia's program of independence, all necessary measures are being prepared for taking over the patent bureau and the copyright agency, as well as health, hygiene, and veterinary inspection services, for work at the border.

Serbia's incursion on the unified monetary system of the state, Lojze Peterle reiterated in conclusion, in no way changes the strategies of the Slovene government for making Slovenia independent. We are now entering a decisive stage of our independence process and, like all the stages so far, it is significant to proceed, above all, from the truth about processes in our country, the truth about the consequences of being linked with the federation as a system. For this reason the government maintains that it should take steps to provide a firm base for creating our own system and for a competitive and successful performance abroad, concluded Lojze Peterle.

The joint session resumed after a one-hour break. Deputy groups met and endorsed stands in principle.

Slovene Government To Reject Federal Laws

AU1001201791 Zagreb VJESNIK in Serbo-Croatian 6 Jan 91 p 3

[TANJUG report: "The Program for Independence"]

[Text] Ljubljana—The Slovene Government will propose to the Slovene Assembly that it not accept any of the laws adopted by the SFRY Assembly at the end of last year, except the decisions that refer to the provisional measures concerning the joint foreign currency policy. This was decided by the Slovene Government at its session on Saturday.

Members of the Executive Council, as pointed out in a statement issued after that session also discussed in

detail the working theses for the Slovene program for independence. All departments presented their views on the ways of "leaving" the federation and when this should be done, and on the types of activities that would be performed "in the conditions in which the federal state would have fewer functions." Janez Jansa, minister for national defense, presented a detailed concept of how relations with the Yugoslav People's Army would be regulated in the "transitional period."

By Monday afternoon all departments will prepare their final proposals which will constitute the basis for talks in the course of the next few days and on a possible harmonization of similar proposals and solutions put forward by the representatives of Croatia. The statement also points out that on Saturday the Executive Council also endorsed the proposal for the nomination of a member of the Economic Council.

Slovene Radio Comments on Presidency Session

AU1101211491 Ljubljana Radio Slovene Network in Slovene 1800 GMT 10 Jan 91

[Text] Dear listeners: Here are several details about the session of the SFRY Presidency held today. We have learned these details from circles close to the collective state leadership.

The session was attended by Federal Prime Minister Ante Markovic, but only after a half-hour break before which Dr. Janez Drnovsek demanded that the federal prime minister should be invited to attend the session. Ante Markovic had not been sent an official invitation.

During the break, representatives of Slovenia, Serbia, and Croatia sat at the same table. At the Presidency session itself, Dr. Franjo Tudjman and Slobodan Milosevic agreed about a Croatian-Serbian summit.

A session of the leaderships of Slovenia and Bosnia-Hercegovina will be agreed upon before 23 January when the SFRY Presidency will meet again for an expanded session. Representatives of Slovenia and Serbia have already agreed about a meeting.

Hisen Kajdomcaj, president of the Kosovo Presidency, warned that the future negotiations must not neglect the interests of the Albanian population. Representatives of Bosnia-Hercegovina and Macedonia oppose changes [word indistinct] Yugoslav republics, and Franjo Tudjman and Alija Izetbegovic spoke about the internationalization of the problems in Yugoslavia. The Croatian president very resolutely demanded an international arbitrage and the new president of Bosnia-Hercegovina said the proposal should be considered, but the majority of the people attending the SFRY Presidency session failed to agree with the suggestion.

Slovenia Seeking Support in Other Republics

AU1501100191 Belgrade BORBA in Serbo-Croatian 5 Jan 91 p 6

[D. Damjanovic report: "Rupel Is Seeking Like-Minded People in Other Republics"]

[Text] Ljubljana, 4 Jan—The representatives of the Slovene Democratic Alliance stated at a news conference today that their party has sent a letter to the three ruling coalition parties in Bosnia-Hercegovina, the Croatian Democratic Community in Croatia, the VMRO [Internal Macedonian Revolutionary Organization] in Macedonia, and to the Democratic Party and the Serbian Democratic Party in Serbia asking them to heed the legitimacy of the work of the federal government and the Federal Secretariat for Foreign Affairs in particular.

The letter, which was signed by Dimitrij Rupel on behalf of the Slovene Democratic Alliance, accuses Ante Markovic, president of the Federal Executive Council, and Budimir Loncar, federal secretary for foreign affairs, of making recent speeches with "pronounced centralist views, not taking into account the reality of the republican, that is, state subjects." The letter particularly singles out the speech by Ante Markovic which he delivered before the new year. His speech "did not take into account at all the new reality in Slovenia after the plebiscite." As regards Budimir Loncar, the letter states that he is not changing his foreign policy plans and is not seeking support for his policies among "the new republican leaderships," and that he is adhering to the directions that were shaped in a "socialist and self-managing" manner.

The real pearl among such irresponsible and arrogant speeches made in the name of politics that has disappeared with the democratic elections, the letter states, is the speech of Mr. Milivoje Maksic at the 70th session of the Federal Chamber of the SFRY Assembly, which sounded like an attempt to undermine Slovene politics and, above all, like an attempt to belittle the plebiscitary will of the Slovene people. Mr. Milivoje Maksic declared the entire regions of the Slovene state the interest areas of the German and Italian states. He maliciously accused Slovenia's international activities of attempting to find support for secession, that is, existence outside Yugoslavia. He used the Federal Chamber to present the unitarian policies of the federal administration, particularly the Federal Secretariat for Foreign Affairs. Mr. Maksic ventured into interpretations of events and activities in Slovenia that do not deserve anything but sharp condemnation. These interpretations are presently compelling us to start a procedure for the replacement of the deputy federal secretary for foreign affairs.

Further on in the letter, Dr. Dimitrij Rupel appeals to the presidents of the few selected parties to help in the analysis of the newly emerged situation in Yugoslavia and to use their influence for Yugoslavia to be rearranged in a union of free and democratic states. He

particularly appealed for help concerning the rearrangement of the inappropriate, even "dangerous" federal apparatus. The letter invites the parties to meet in order to undertake everything necessary for the parties, that is, subjects in Yugoslavia, to reach an agreement.

The news conference, at which the contents of the letter were presented to journalists, was also attended by France Bucar, not as president of the Slovene Assembly but as a member of the Slovene Democratic Alliance.

France Bucar stressed that his impression was that the Slovene plebiscite is being ignored at the federal level and that Yugoslavia cannot survive in its present form. Like Rupel, Bucar held the view that Ante Markovic is behaving as if nothing has happened, while the draft declaration of the Federal Assembly negates everything Slovenia does and wishes. According to Bucar, if Slovenia does not find anyone to talk to, it will be forced to make unilateral moves so that it can communicate with others on the basis of their reaction. The Federal Assembly and the Presidency which, according to Bucar, represent the nucleus of Yugoslav disagreements, cannot be formulating a treaty on Yugoslavia. Besides, they have not been elected in a legitimate way.

As regards the Constitutional Court of Yugoslavia, which is currently considering the Slovene plebiscite, France Bucar denied the legal grounds of this court to work on this case. He also denied the legality of the Federal Assembly.

[The following passage appears boxed within the body of the item]

Explanation of Vajgl's Resignation

Ivo Vajgl, who had been an ambassador in the Federal Secretariat for Foreign Affairs until recently, resigned because he could no longer stand what was going on in the Federal Secretariat for Foreign Affairs, Dimitrij Rupel said at the news conference.

Slovenia Proposes To Cut Federal Army Funds

LD1201012291 Belgrade TANJUG Domestic Service in Serbo-Croatian 2007 GMT 11 Jan 91

[Text] Ljubljana, 11 Jan (TANJUG)—Slovenian Defense Secretary Janez Jansa today told a session of the (Slovene) Assembly that documents have been prepared that propose Slovenia pay into the military part of the federal budget this year only those funds permitting the minimal functioning of this component of the Armed Forces.

Instead of about 15 billion dinars—the amount that the law on the temporary financing of the Federation by Slovenia for the Yugoslav People's Army in 1991 requires—Slovenia should pay about three billion dinars. The failure to pay even this minimal part, Jansa said, would imperil the functioning of this structure, which, in his opinion, could have serious consequences.

Serbian Assembly Elects President 11 Jan

LD1101141591 Belgrade TANJUG Domestic Service in Serbo-Croatian 1245 GMT 11 Jan 91

[Text] Belgrade, 11 Jan (TANJUG)—Slobodan Unkovic has been elected by majority vote the first president of the multiparty People's Assembly of Serbia. His term of office will last for four years.

The Serbian Socialist Party Proposed Unkovic for the post. For the past four years he was the rector of Belgrade University.

Croatia Annuls Serb Autonomous District

LD1001214491 Belgrade TANJUG Domestic Service in Serbo-Croatian 1849 GMT 10 Jan 91

[Text] Zagreb, 10 January (TANJUG)—At its session today the constitutional court of the Republic of Croatia decided to annul the statute of "the autonomous district of Krajina," the decisions to implement this statute, as well as the decisions of the municipalities of Benkovac, Vojnic, Dvor, Obrovac, Gracic, Knin, and Kostajnica on joining the "autonomous district of Krajina." This is reported by the republican Ministry of Information.

Also annulled is any other act "aiming at adopting or implementing the unconstitutinal statute of the autonomous district of Krajina, and actions of joining the so-called "community of Northern Dalmatia and Lika-Serbian autonomous district of Krajina."

The reasons behind this ruling lie in the fact that "neither the 1974 constitution—which was in effect at the time the annulled decisions were made—nor the 1990 new constitution of the Republic of Croatia provide a legal basis for forming autonomous districts in the republic. According to its constitution, the Republic of Croatia is an integral and indivisible democratic and social state, while its sovereignty is inalienable, indivisible, and untransferable."

Therefore, "all the said acts contravene the constitution of the Republic of Croatia, are illegal, and have no legal effect," the statement stresses.

Croatian Officials on Differences With Slovenia

AU1301194491 Zagreb VECERNJI LIST in Serbo-Croatian 8 Jan 91 p 5

[B. Tudjen report: "Our Positions Are Confederal"]

[Excerpts] Zagreb—Considering that the new Constitution of the Republic of Croatia has been promulgated and that the president has attained new powers, the reorganization of the entire cabinet and the introduction of an office are a logical move. According to the new Constitution, the presidency no longer exists, but because there are two advisory bodies, one for the president and one for the Council of National Defense, the office will be called the Office of the Presidency. This was stated, among other things, by Hrvoje Sarinic,

Darko Bekic, and Mario Nobilo, advisers to the Croatian president, at a regular news conference. The final scheme will be known at the end of this week. In order to find the right solutions, we studied the systems of presidential offices in Austria, the United States, and France. [passage omitted]

Bekic then answered the question on whether it was correct that there was freezing of relations between Croatia and Slovenia.

We are essentially talking about speculations. There are no problems in our relations , except some tactical differences that stem from our objective positions. Do not forget that a large number of Croats live outside the Republic of Croatia.

Economic Problems

This question was tackled by Hrvoje Sarinic:

Political relations are one thing, economic relations are another. There is great unanimity in the political sense, except in the way of carrying out some ideas, but this is nothing unusual. Some problems exist in economic relations. We drew Slovenia's attention to the behavior of the Slovene Bank in Zagreb and a series of programmed receiverships in Slovenia which had adverse effects on Croatian banks that had capital there. Regarding the President's absence from the celebration of the plebiscite, there were some technical reasons for it. The invitation was made by telephone in the morning on the day of the celebration and Mr. Tudjman could not cancel some of his commitments. Croatia was represented by a high level delegation.

The conversation then shifted to the situation in Knin and the upcoming talks in Belgrade (10 January) which, as stated, will also be attended by President Tudjman. [passage omitted]

Possible Plot Against Croatian Minister

LD1301090991 Belgrade TANJUG Domestic Service in Serbo-Croatian 1923 GMT 12 Jan 91

[Text] Zagreb, 12 January (TANJUG)—The Zagreb daily papers 'VJESNIK' and 'VECERNJI LIST' report in their Sunday editions that four days ago, in the vicinity of Karlovac, members of the Ministry of Internal Affairs of Croatia caught three counterintelligence officers from the ranks of the Yugoslav People's Army [YPA] who are suspected, the papers claim, of having for a long time now been following Josip Boljkovac, minister of internal affairs of Croatia.

The papers give only the names and ranks of three counterintelligence officers. The matter involves a sergeant major, a captain, and a civilian, though all are members of the YPA security department. They were handed over to the military police because after they were detained it was established that they are members of the YPA.

'VJESNIK' concludes that it is presumed for the time being that the military intelligence officers had the task of following Minister Boljkovac and collecting information on him, "although the possibility of an assassination is also suspected," the paper says.

Kosovo Leader: Disarming Order 'Direct Threat'

LD1101232991 Belgrade TANJUG in English 1824 GMT 11 Jan 91

[Text] Pristina, Jan 11 (TANJUG)—Ibrahim Rugova, leader of the ethnic Albanian Democratic Union of Kosovo, today qualified the Yugoslav State Presidency's order on the disarming of para-military formations in the country as "a direct threat with military rule."

The Yugoslav State Presidency, the supreme commander of the Yugoslav Armed Forces, two days ago ordered that all para-military units in the country be disarmed within ten days. The implementation of the decision will be overseen by units of the Yugoslav People's Army.

Addressing a news conference in Pristina, the capital of the province of Kosovo, which is part of the republic of Serbia, Rugova said that it was not known "where Yugoslav People's Army units will go and whom they will disarm." He expressed the opinion that Serbs would not be disarmed.

The leader of the Democratic Union of Kosovo said he was dissatisfied with yesterday's "first round" of the talks on Yugoslavia's future held in the Presidency of Yugoslavia, and specified that Kosovo and ethnic Albanians were not mentioned.

"It must be clear to everyone that the world, Europe and America recognize (ethnic) Albanians in Kosovo, and the Federation and Serbia want to exclude them," Rugova said.

Ethnic Albanians account for around 90 percent of Kosovo's population. The republic of Serbia opposes the separatist aspirations of ethnic Albanians, who want to make Kosovo another republic in Yugoslavia.

Vojvodina Assembly Changes Status of Some Media

AU1401134591 Belgrade BORBA in Serbo-Croatian 5-6 Jan 91 p 15

[Unattributed report: "Restrictions Are Not the Aim"]

[Text] At its session held on 18 December 1990, the Assembly of the Autonomous Province [AP] of Vojvodina reached decisions—in accordance with Article 24 of the Law on Public Information and concerning Article 196.b of the Law on Enterprises—on the organization of the media, whose sponsorship, obligations, and responsibilities have been taken over by the Assembly of the AP of Vojvodina.

The Law on Public Information (Official Gazetteer No 6/90) states in Article 24 that a public media organization is founded as an institution [ustanova] if the sources of its income are exclusively or mainly the budget of the sociopolitical community or other funds, or as an enterprise if its incomes is earned mainly on the market. Considering that the public media organizations HLAS LJUDI, RUSKE SLOVO, and LIBRATATEA, because of a small number of copies sold, are 90 percent financed by the provincial budget, the Autonomous Province of Vojvodina decided that these organizations be set up as institutions (to date they have been organized according to the provisions of the Law on Associated Labor). The DNEVNIK Newspaper, Publishing, and Printing Organization, the MAGYAR SO Basic Organization of Associated Labor, and the HET NAP Newspaper and Publishing Organization realize their income mainly on the market. The budget of the province finances DNEVNIK, MAGHYOAR SO, and HET NAP to the tune of 25-45 percent. Because the Law of Enterprises states, however, that public enterprises are set up with the purpose of producing goods and services that are essential for the life and work of citizens, the Assembly of the AP of Vojvodina has made a decision that the DNEVNIK Newspaper, Publishing, and Printing Organization, the MAGYAR SO Basic Organization of Associated Labor, and the HET NAP Newspaper and Publishing Organization, be set up as public enterprises.

Therefore, the adoption of the aforementioned decision does not have the aim of restricting the freedom of the press, as claimed in an article entitled "The Most Influential Are Under the State Control." The Assembly of the AP of Vojvodina has adopted these decisions on the organization of the above mentioned media in accordance with the existing laws, as is done in all law-governed states—this was pointed out in a statement issued by the Provincial Secretariat for Information.